NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON AUGUST 16, 2019

July 11, 2019

The Board of Directors of Street Capital Group Inc. UNANIMOUSLY recommends that Shareholders vote FOR the Arrangement Resolution.

These materials are important and require your immediate attention. They require shareholders of Street Capital Group Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal, tax or other professional advisors. If you are a holder of Common Shares and have any questions or require more information about voting your Common Shares, please contact Street Capital Group Inc.'s proxy solicitation agent, Shorecrest Group, by telephone at 1-888-637-5789 (toll free in North America), Banks and Brokers and collect calls outside North America 647-931-7454 or by email at contact@shorecrestgroup.com.

July 11, 2019

Dear Shareholders,

The board of directors (the "**Board**") of Street Capital Group Inc. (the "**Company**") would like to invite you to a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") in the capital of the Company will be held at Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, Ontario on August 16, 2019, commencing at 10:00 a.m. (Toronto time). Shareholders that are unable to attend the meeting in person are encouraged to vote by following the instructions on the enclosed proxy or voting instruction form.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass a resolution (the "**Arrangement Resolution**"), as more particularly described below, approving a statutory plan of arrangement (the "**Arrangement**") under Section 182 of the *Business Corporations Act* (Ontario) pursuant to which RFA Capital Holdings Inc. (the "**Purchaser**") will acquire all of the Company's Common Shares. The Purchaser is managed by RFA Capital Inc. ("**RFA**"). Pursuant to the Arrangement, shareholders will receive $0.68 per Common Share in cash. **The Consideration of $0.68 in cash per Common Share offered to the Shareholders represents a 36% premium to the closing price per Common Share on the Toronto Stock Exchange (the "TSX") on June 14, 2019 (the last trading day immediately prior to the announcement of the execution of the definitive agreement with the Purchaser) and implies a multiple of price-to-book value per share of approximately 1.0x (calculated using total equity as of March 31, 2019 of $86.7 million as adjusted for negative non-controlling interest divided by the number of Common Shares, RSUs and DSUs outstanding).**

The transaction with RFA is the culmination of a thorough review of strategic alternatives available to the Company undertaken by the Board that commenced in early 2019. As part of the strategic review, the Board, with the assistance of its financial and legal advisors, reviewed a variety of alternatives designed to strengthen the capital position of the Company and position the business for long term, sustainable growth. These alternatives included the continued pursuit of the Company's current business plan, various capital raising alternatives, and the sale of the Company or certain assets of the Company. At the conclusion of its review, the Board authorized the Company and its financial advisor to commence a confidential, targeted process to solicit proposals with respect to the sale of the Company, the sale of certain assets of the Company or an investment in treasury capital with a commitment to delivering ongoing financial strength (the "**Process**").

As part of the Process, the Company received indications of interest from several parties relating to each of the transaction alternatives for which it was soliciting proposals, including a non-binding proposal from RFA regarding an acquisition of all of the issued and outstanding Common Shares. Following its review of the proposals received and after giving consideration to all the strategic alternatives available to the Company at that time, the Board determined that a sale of the Company was in the best interests of the Company and ultimately determined to pursue a transaction with RFA. As more fully described under the heading "*The Arrangement – Background to the Arrangement*" in the accompanying management information circular (the "**Information Circular**") the Board's determination was, in part, based on its determination that any solution must contemplate a substantial demonstration and commitment of initial and ongoing financial strength to solidify the capital structure of the Street Capital Bank of Canada (the "**Bank**") in order to enhance its business and growth prospects.

Concurrent with completion of the Arrangement, RFA has committed to cause the equity capital of the Bank to increase by a minimum of $50 million. In addition, RFA has committed to cause the Purchaser to provide an additional $25 million in readily available stand-by capital to the Bank. Subject to the Purchaser's discretion and the achievement of certain performance targets, it is RFA's intention to also cause the Purchaser to inject up to an additional $100 million of further equity capital into the Bank over the next five years to support balance sheet growth. RFA has also committed to provide the Company with access to up to $5 billion of additional mortgage funding. Accordingly, the Board believes that, as well as immediate liquidity and certainty of value for Shareholders, the Arrangement will allow the Company to benefit from improved financial strength and enhanced competitive positioning under RFA's ownership.

After, among other things, consultation with its financial and legal advisors, and based upon, among other things, the fairness opinion of its financial advisor and the unanimous recommendation of the Strategic Planning Committee of the Board (the "Special Committee"), the Board has unanimously determined that the Arrangement is in the best interests of the Company and that the consideration to be received by Shareholders pursuant to the Arrangement is fair to Shareholders. Accordingly, the Board unanimously recommends that Shareholders vote FOR the Arrangement Resolution. The determination of the Special Committee and the Board is based on various factors described more fully in the accompanying Information Circular.

The accompanying notice of special meeting (the "**Notice of Meeting**") and Information Circular contain a detailed description of the Arrangement and set forth the actions to be taken by Shareholders at the Meeting. You should carefully consider all of the relevant information in the Notice of Meeting and the Information Circular and consult with your financial, legal, tax or other professional advisors if you require assistance.

For the Arrangement to proceed, the Arrangement Resolution must be approved by: (i) not less than two-thirds of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and (ii) not less than a simple majority of the votes cast by Shareholders, present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose the votes attached to Common Shares required to be excluded pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, such holders being three officers of the Company who collectively own or control approximately 3.75% of the outstanding Common Shares.

Each director, certain executive officers of the Company and another Shareholder, holding, directly or indirectly, or exercising control or direction over, in the aggregate approximately 20% of the issued and outstanding Common Shares, have agreed to vote all of his, her or its respective Common Shares **FOR** the Arrangement Resolution and each has entered into a Voting Agreement with the Purchaser.

Each Shareholder's vote is important regardless of how many Common Shares they own. If you are a registered holder of Common Shares (a "**Registered Shareholder**"), to ensure that your vote is recorded, please return the enclosed form of proxy in the envelope provided for that purpose, properly completed and duly signed, to the Company's transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**"), 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, in accordance with the instructions set forth in the Information Circular and in the form of proxy and in any event by no later than 10:00 a.m. (Toronto time) on August 14, 2019 (or no later than 48 hours, excluding Saturdays, Sundays and statutory holidays, before any reconvened meeting if the Meeting is adjourned or postponed). Alternatively, Registered Shareholders may vote using the internet or telephone using their control number and following the instructions on their proxy. If you hold Common Shares beneficially (a "**Beneficial Shareholder**") through a securities broker, financial institution, trustee, custodian or other nominee who holds securities on your behalf or in the name of a clearing agency (an "**Intermediary**"),

you should follow the instructions provided by your Intermediary to ensure your vote is counted at the Meeting.

If the Arrangement is approved and completed, before you can be paid for your Common Shares, Computershare Investor Services Inc. (the "**Depositary**") will need to receive a letter of transmittal (printed on yellow paper) either completed by you, if you are a Registered Shareholder (who is not a Dissenting Shareholder), or completed by your Intermediary if you are a Beneficial Shareholder. Registered Shareholders must complete, sign, date and return the enclosed letter of transmittal. Beneficial Shareholders that hold Common Shares through an Intermediary will NOT receive a Letter of Transmittal directly and must ensure that their Intermediaries complete the necessary transmittal documents to ensure that they receive payment for their Common Shares if the Arrangement is completed.

The closing of the Arrangement (the "**Closing**") is subject to customary closing conditions, including the receipt of approvals under the *Bank Act* (Canada), approval by CMHC, court approval of the Arrangement, approval of Shareholders in the manner described above, and compliance with the *Competition Act* (Canada). If the necessary approvals are obtained and the other conditions to Closing are satisfied or waived, it is anticipated that the Arrangement will be completed by the end of 2019 and as a Shareholder (unless you are a Dissenting Shareholder), you will receive payment for your Common Shares shortly after Closing, provided the Depositary receives your duly completed letter of transmittal.

Once all of the steps to effect the Arrangement are completed, the Common Shares will be delisted from the TSX and the Company will apply to cease to be a reporting issuer.

If you are a Shareholder and have any questions or need assistance with the completion and delivery of your proxy, please contact Street Capital Group Inc.'s proxy solicitation agent, Shorecrest Group, by telephone at 1-888-637-5789 (toll free in North America), Banks and Brokers and collect calls outside North America 647-931-7454, or by email at contact@shorecrestgroup.com.

If you have any questions about submitting your Common Shares to the Arrangement including with respect to completing the applicable letter of transmittal, please contact the Depositary, by telephone at 1-800-564-6253 (toll free in North America) or 1-514-982-7512 (outside North America) or by email to corporateactions@computerhsare.com.

On behalf of the Company, I would like to thank you for your continuing support.

Yours very truly,

(Signed) "*Lea M. Ray*"

Lea M. Ray
Chairman of the Board of Directors

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
to be held on August 16, 2019

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of Street Capital Group Inc. (the "**Company**") will be held at Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, Ontario on August 16, 2019, commencing at 10:00 a.m. (Toronto time) for the following purposes:

1. **TO CONSIDER**, pursuant to an interim order of the Ontario Superior Court of Justice (Commercial List) dated July 11, 2019, as same may be amended (the "**Interim Order**"), and, if thought advisable to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") to approve a proposed plan of arrangement involving the Company and RFA Capital Holdings Inc., pursuant to Section 182 of the *Business Corporations Act* (Ontario) (the "**Arrangement**"), the full text of which is set forth in Appendix B to the accompanying management information circular (the "**Information Circular**"); and

2. **TO TRANSACT** such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The Board of Directors of the Company (the "Board") unanimously recommends that Shareholders vote FOR the Arrangement Resolution. Specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular, which accompanies and is deemed to form part of this Notice of Meeting.

Shareholders are entitled to vote at the Meeting either in person or by proxy with each Common Share entitling the holder thereof to one vote at the Meeting. Only Registered Shareholders or the Persons they appoint as their proxyholders are permitted to vote at the Meeting. Beneficial Shareholders should follow the instructions on the forms they receive from their Intermediaries so that their Common Shares can be voted by the entity that is the Registered Shareholder for their Common Shares. The Board has fixed July 8, 2019 as the record date (the "**Record Date**") for determining Shareholders who are entitled to receive notice of and vote at the Meeting. No persons becoming Shareholders after the close of business on the Record Date will be entitled to vote at the Meeting, or any adjournment or postponement thereof.

Each Common Share entitled to be voted at the Meeting will entitle the holder thereof as of the Record Date to one vote at the Meeting in respect of the Arrangement Resolution. Pursuant to the Interim Order and Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), the Arrangement Resolution will require the affirmative vote of: (a) at least two-thirds of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and (b) a simple majority of the votes cast by the Shareholders present in person or by proxy and entitled to vote at the Meeting, other than by those holders of Common Shares required to be excluded pursuant to Section 8.1(2) of MI 61-101, such holders being three officers of the Company who collectively own or control approximately 3.75% of the outstanding Common Shares.

If you are a registered Shareholder (a "**Registered Shareholder**"), to ensure that your vote is recorded, please return the enclosed form of proxy in the envelope provided for that purpose, properly completed and duly signed, to the Company's transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**"), 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, so as not to arrive later than 10:00 a.m. (Toronto time) on August 14, 2019. Alternatively, Registered Shareholders may vote using the internet or telephone using their control number and following the instructions on their proxy. If the Meeting is adjourned, proxies must be deposited 48 hours (excluding Saturdays, Sundays and statutory holidays), before the time set for any reconvened meeting at which the proxy is to be used. Notwithstanding the foregoing, the Chair of the Meeting has the discretion to accept proxies received

after such deadline. The time limit for the deposit of proxies may also be waived or extended by the Chair of the Meeting at his or her discretion, without notice.

If you hold your Common Shares through a securities broker, financial institution, trustee, custodian or other nominee who holds securities on your behalf or in the name of a clearing agency (an "**Intermediary**"), you should follow the instructions provided by your Intermediary to ensure your vote is counted at the Meeting and should arrange for your Intermediary to complete the necessary transmittal documents to ensure that you receive payment for your Common Shares if the Arrangement is completed.

The voting rights attached to the Common Shares represented by a proxy in the enclosed form of proxy will be voted in accordance with the instructions indicated thereon. If no instructions are given, the voting rights attached to such Common Shares will be voted **FOR** the Arrangement Resolution.

A Registered Shareholder as of the Record Date who has given a proxy may revoke such proxy by: (i) completing and signing a proxy bearing a later date and depositing it with the Transfer Agent in accordance with the instructions set out above; or (ii) depositing an instrument in writing expressly revoking such proxy executed by the Registered Shareholder or by the Registered Shareholder's personal representative authorized in writing (a) at the office of the Transfer Agent no later than 10:00 a.m. (Toronto time) on August 14, 2019 or in the event that the Meeting is adjourned or postponed, no later than 48 hours, excluding Saturdays, Sundays, and statutory holidays, before any reconvened Meeting; (b) with the scrutineers of the Meeting, addressed to the attention of the Chair of the Meeting, prior to the commencement of the Meeting on the day of the Meeting, or where the Meeting has been adjourned or postponed, prior to the commencement of the reconvened or postponed Meeting on the day of such reconvened or postponed Meeting; or (c) in any other manner permitted by law.

A non-registered Shareholder who has given voting instructions to an Intermediary may revoke such voting instructions by following the instructions of such Intermediary. However, an Intermediary may be unable to take any action on such revocation if the revocation is not provided sufficiently in advance of the Meeting or any adjournment or postponement thereof.

Pursuant to the Interim Order, Registered Shareholders have been granted the right to dissent in respect of the Arrangement and to be paid an amount equal to the fair value of their Common Shares. This dissent right, and the procedures for its exercise, are described in the Information Circular under "*Dissent Rights of Shareholders*". Failure to comply strictly with the dissent procedures described in the Information Circular will result in the loss or unavailability of any right to dissent.

If you have any questions or need assistance in your consideration of the Arrangement or with the completion and delivery of your proxy, please contact Shorecrest Group, by telephone at 1-888-637-5789 toll free within North America or by email at contact@shorecrestgroup.com. If you have any questions about submitting your Common Shares to the Arrangement including with respect to completing the applicable letter of transmittal, please contact Computershare Investor Services Inc., who is acting as depositary under the Arrangement, at 1-800-564-6253 (toll free within North America), or 1-514-982-7512 (outside of North America), or by email at corporateactions@computershare.com.

The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this Notice of Meeting.

DATED at Toronto, Ontario this 11th day of July, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

"*Lea M. Ray*"

Chairman of the Board of Directors
Street Capital Group Inc.

TABLE OF CONTENTS

STREET CAPITAL GROUP INC.

MANAGEMENT INFORMATION CIRCULAR

Introduction

This Information Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of the Company for use at the Meeting to be held on August 16, 2019 at 10:00 a.m. (Toronto time), and any adjournment or postponement thereof.

All capitalized terms used in this Information Circular but not otherwise defined herein have the meanings set forth in the Glossary of Terms in Appendix A or elsewhere in this Information Circular. Information contained in this Information Circular is given as of July 11, 2019, except where otherwise noted and except that information in documents incorporated by reference is given as of the dates noted therein. No Person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Information Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company or by RFA Capital Holdings Inc. (the "**Purchaser**").

This Information Circular does not constitute the solicitation of an offer to purchase, or the making of an offer to sell, any securities or the solicitation of a proxy by any Person in any jurisdiction in which such solicitation or offer is not authorized or in which the Person making such solicitation or offer is not qualified to do so or to any Person to whom it is unlawful to make such solicitation or offer.

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

Descriptions in this Information Circular of the terms of the Arrangement Agreement, the Plan of Arrangement, the Fairness Opinion or the Interim Order are summaries of the terms of those documents. Shareholders should refer to the full text of each of these documents attached to this Information Circular as Appendices C, D, E and F, respectively. **You are urged to carefully read the full text of the Plan of Arrangement.**

Information Concerning the Purchaser and RFA

Certain information in this Information Circular pertaining to the Purchaser and RFA Capital Inc. (**"RFA**") has been provided by the Purchaser and RFA, respectively, including, but not limited to, information concerning the Purchaser and RFA under "*Information Concerning the Purchaser and RFA*". Although the Company does not have any knowledge that would indicate that such information is untrue or incomplete, neither the Company nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information, or for the failure by the Purchaser or RFA to disclose events or information that may affect the completeness or accuracy of such information.

Forward-Looking Statements

Certain statements contained in this Information Circular may constitute forward-looking statements and forward-looking information (collectively, forward-looking statements) within the meaning of applicable securities Laws, which are based on the opinions, estimates and assumptions of the Company's management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Forward-looking information may include views related to the completion of the Arrangement, the anticipated benefits of the Arrangement and other expectations of the Company and are often, but not

always, identified by the use of words such as “aim”, “anticipate”, “budget”, “plan”, “continue”, “estimate”, “expect”, “forecast”, “foresee”, “may”, “will”, “project”, “predict”, “potential”, “seek”, “strive”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar words suggesting future outcomes or statements regarding an outlook.

Such statements reflect the Company’s business judgement based on information currently available to the Company at the time they are made and on the Company’s then-current view of future events and, as such, are subject to certain risks, uncertainties and assumptions, including those discussed below. Many factors could cause the Company’s actual results, performance or achievements to differ materially from any future results, performance or achievements that may be expressed or implied by such forward-looking information. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

These risks and uncertainties include, but are not limited to, the satisfaction of the conditions to complete the Arrangement, including the approval of the Arrangement by Shareholders and the Court, the receipt of the Required Regulatory Approvals, the anticipated Effective Date and the absence of any event, change or other circumstances that could give rise to the termination of the Arrangement Agreement, the delay in or increase in the cost of completing the Arrangement, and the failure to complete the Arrangement for any other reason. These risks and uncertainties also include possible unanticipated changes in the Company’s capital requirements, regulatory requirements, mortgage insurance rules, and the business and economic environment generally, including but not limited to, Canadian housing market conditions and activity, interest rates, mortgage backed securities markets, timing and execution of anticipated transactions, technology, employment conditions, taxation, and competitive factors. Additional risks and uncertainties regarding the Company are described in its Management’s Discussion and Analysis for the year ended December 31, 2018, which is available on SEDAR at www.sedar.com.

Although the forward-looking information contained in this Information Circular is based upon what the Company believes are reasonable assumptions, Shareholders are cautioned against placing undue reliance on this information since actual results may vary materially from the forward-looking information. The assumptions made in preparing the forward-looking information may include the assumptions that the conditions to complete the Arrangement will be satisfied, that the Arrangement will be completed within the expected time frame at the expected cost and that the Company and the Purchaser will not fail to complete the Arrangement for any other reason, including but not limited to the matters discussed under the “*Risk Factors*” section of this Information Circular.

These factors should be considered carefully, and the reader should not place undue reliance on the forward-looking information. Forward-looking information is made as of the date of this Information Circular, and the Company does not intend, and does not assume any obligation, to update or revise the forward-looking information, except as may be required under applicable Laws. The forward-looking information and statements contained herein are expressly qualified in their entirety by this cautionary statement.

Notice to Shareholders Not Resident in Canada

The Company is a corporation organized under the Laws of the Province of Ontario. The solicitation of proxies involves securities of a Canadian issuer and is being effected in accordance with applicable corporate and securities Laws in Canada. Shareholders should be aware that the requirements applicable to the Company under Canadian Laws may differ from requirements under corporate and securities Laws relating to corporations in other jurisdictions.

The enforcement of civil liabilities under the securities Laws of other jurisdictions outside of Canada may be affected adversely by the fact that the Company is organized under the Laws of the Province of Ontario and all of its directors and executive officers are residents of Canada. You may not be able to sue the Company or its directors or officers in a Canadian court for violations of foreign securities Laws. It may be difficult to compel the Company to subject itself to a judgment of a court outside of Canada.

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY, NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF THIS TRANSACTION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

This Information Circular has been prepared in accordance with disclosure requirements in effect in Canada, which differ from disclosure requirements in the United States.

Shareholders who are foreign taxpayers should be aware that the Arrangement described in this Information Circular may have tax consequences both in Canada and such foreign jurisdiction. Such consequences for Shareholders are not described in this Information Circular. Shareholders are advised to consult their tax advisors to determine the particular tax consequences to them of the transactions contemplated in this Information Circular.

Currency

All dollar amounts set forth in this Information Circular are in Canadian dollars, except where otherwise indicated. In this Information Circular, references to "$" are to Canadian dollars.

Documents Incorporated by Reference

Any annual information form, annual or interim financial statement and related management's discussion and analysis, material change report (excluding confidential material change reports), business acquisition report, information circular, news releases containing financial information for financial periods more recent than the most recent annual or interim financial statements, or disclosure document filed pursuant to an undertaking to a securities regulatory authority by the Company with any securities commission or similar regulatory authority subsequent to the date of this Information Circular and prior to the Effective Time shall be deemed to be incorporated by reference into this Information Circular, as well as any document so filed by the Company that expressly states it is to be incorporated by reference into this Information Circular. These documents will be available under the Company's profile on SEDAR, online at www.sedar.com.

Any statement contained herein, or in any document incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded, for the purposes of this Information Circular, to the extent that a statement contained herein or in any other subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Information Circular, except as so modified or superseded.

SUMMARY

The following is a summary of certain information contained in this Information Circular, including its Appendices. This summary is not intended to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Information Circular, including its Appendices. Certain capitalized terms used in this summary are defined in the Glossary of Terms of this Information Circular, attached hereto as Appendix A. Shareholders are urged to read this Information Circular and its Appendices carefully and in their entirety.

The Meeting

Meeting and Record Date

The Meeting will be held at 10:00 a.m. (Toronto time) on August 16, 2019, at Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, Ontario. The Board has fixed the Record Date for determining Shareholders who are entitled to receive notice of and vote at the Meeting as July 8, 2019.

The Arrangement Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the Arrangement Resolution, a copy of which is attached as Appendix B to this Information Circular. See "*Certain Legal and Regulatory Matters – Required Shareholder Approval*" for a discussion of the Shareholder approval requirements to effect the Arrangement.

Voting at the Meeting

This Information Circular is being sent to all Shareholders as of the Record Date. Only Registered Shareholders or the Persons they appoint as their proxyholders are permitted to vote at the Meeting. Beneficial Shareholders should follow the instructions on the forms they receive from their Intermediaries so their Common Shares can be voted by the entity that is the Registered Shareholder for their Common Shares. No other securityholders of the Company are entitled to vote at the Meeting. See "*Information Concerning the Meeting*".

Background to the Arrangement

The transaction with RFA is the culmination of a comprehensive process undertaken by the Special Committee and the Board to review strategic alternatives available to the Company. As part of the strategic review, the Board, with the assistance of its financial and legal advisors, reviewed a variety of alternatives designed to strengthen the capital position of the Company and position the business for long term, sustainable growth. These alternatives included the continued pursuit of the Company's current standalone business plan, various capital raising alternatives, and the sale of the Company or certain assets of the Company. At the conclusion of its review, the Board authorized the Company and the Financial Advisor to commence a confidential, targeted process to solicit proposals with respect to the sale of the Company, the sale of certain assets of the Company or an investment in treasury capital with a commitment to delivering ongoing financial strength (the "**Process**").

As part of the Process, the Company received indications of interest from several parties relating to each of the transaction alternatives for which it was soliciting proposals, including a non-binding proposal from RFA regarding an acquisition of all of the issued and outstanding Common Shares. Following its review of the proposals received and after giving consideration to all the strategic alternatives available to the Company at that time, the Board determined that a sale of the Company was in the best interests of the Company and ultimately determined to pursue a transaction with RFA. As more fully described under the

heading "*The Arrangement – Background to the Arrangement*", the Board's determination was, in part, based on its determination that any solution must contemplate a substantial demonstration and commitment of initial and ongoing financial strength to solidify the capital structure of the Bank in order to enhance its business and growth prospects.

See "*The Arrangement – Background to the Arrangement*" for a description of the background to the Arrangement.

Recommendation of the Special Committee

The Special Committee, having undertaken a thorough review of, and having carefully considered information concerning the Company, the Purchaser, RFA, and the terms of the Arrangement and other strategic alternatives, including the option of remaining a publicly traded company, and after consulting with its financial and legal advisors, including receiving the Fairness Opinion (see "*The Arrangement – Fairness Opinion*") and presentations from the Financial Advisor, has unanimously determined: (i) that the Arrangement is in the best interests of the Company (taking into account the interests of all affected stakeholders); (ii) to recommend that the Board approve the Arrangement Agreement; and (iii) to recommend that the Board recommend to Shareholders that they vote **FOR** the Arrangement Resolution.

In forming its recommendation to the Board, the Special Committee considered a number of factors, including, without limitation, those listed below under "*The Arrangement - Reasons for the Recommendation*". The Special Committee based its recommendation upon the totality of the information presented to and considered by it in light of the members of the Special Committee's knowledge of the business, operations, financial condition, earnings, regulatory environment and prospects of the Company and after taking into account the advice of its financial and legal advisors and the advice and input of management of the Company.

Recommendation of the Board

The Board, having undertaken a thorough review of, and having carefully considered the recommendation of the Special Committee, information concerning the Company, the Purchaser, RFA and the terms of the Arrangement, including the option of remaining a publicly traded company, and after consulting with its financial and legal advisors, including receiving the Fairness Opinion (see "*The Arrangement – Fairness Opinion*" below), presentations from the Financial Advisor, has unanimously determined that the Arrangement is in the best interests of the Company and that the Consideration to be received by Shareholders pursuant to the Arrangement is fair to Shareholders. Accordingly, the Board unanimously recommends that Shareholders vote **FOR** of the Arrangement Resolution.

In forming its recommendation, the Board considered a number of factors, including, without limitation, those listed below under "*The Arrangement – Reasons for the Recommendation*". The Board based its recommendation upon the totality of the information presented to and considered by it in light of the members of the Board's knowledge of the business, operations, financial condition, earnings, regulatory environment and prospects of the Company and after taking into account the advice of its financial and legal advisors and the advice and input of management of the Company. Each of the directors and certain executive officers of the Company intends to vote all of such individual's Common Shares in favour of the Arrangement Resolution and each has entered into a Voting Agreement with the Purchaser.

Duncan Hannay, President and Chief Executive Officer of the Company and a member of the Special Committee and the Board, did not vote on the Arrangement on the basis of the fact he would be deemed to be receiving a "collateral benefit" within the meaning of MI 61-101. Reference in this Information Circular to the unanimous determination of the Special Committee or the Board does not include Duncan

Hannay. See "*Certain Legal and Regulatory Matters - Canadian Securities Law Matters*" for further details.

Reasons for the Recommendation

In making their recommendations, the Special Committee and the Board reviewed a significant amount of information and carefully considered a number of factors, including those listed below. The Board based its recommendation upon the totality of the information presented to and considered by it in light of the directors' knowledge of the business, operations, financial condition, earnings, regulatory environment and prospects of the Company, after taking into account the advice of the Company's financial and legal advisors, the recommendation of the Special Committee, and the advice and input of management.

The following summary of the information and factors considered by the Board is not intended to be exhaustive, but includes a summary of the material information and factors considered in the consideration of the Arrangement. In view of the variety of factors and the amount of information considered in connection with the consideration of the Arrangement, the Board did not find it practicable to, and did not, quantify or otherwise attempt to assign any relative weight to each of the specific factors considered in reaching its conclusions and recommendation.

- *Attractive Consideration for Shareholders*. The Consideration under the Arrangement offered to the Shareholders represents a 36% premium to the Company's closing price per Common Share on the TSX on June 14, 2019 (the trading day immediately prior to the announcement of the execution of the Arrangement Agreement), and implies a multiple of price-to-book value per share of approximately 1.0x (calculated using total equity as of March 31, 2019 of $86.7 million as adjusted for negative non-controlling interest divided by the number of Common Shares, RSUs and DSUs outstanding).

- *Certainty of Value and Liquidity*. The Consideration being offered to the Shareholders under the Arrangement is all cash, which allows Shareholders to immediately realize value for all of their investment and provides certainty of value and immediate liquidity at a significant premium to the market price on June 14, 2019, as described above.

- *Special Committee and Board Oversight*. The Special Committee, which is comprised of a majority of independent directors, oversaw, reviewed and considered the Arrangement. The Special Committee and the Board were advised by highly qualified financial and legal advisors. The Arrangement was unanimously recommended to the Board by the Special Committee, and was unanimously approved by the Board, which is comprised of eight directors, seven of whom are non-management and independent of the Company. Duncan Hannay, the President and Chief Executive Officer of the Company, abstained from voting given that he would be deemed to be receiving a "collateral benefit" as contemplated by MI 61-101.

- *Comprehensive and Rigorous Strategic Alternatives Process*. The Arrangement arose out of a comprehensive and rigorous process conducted by the Company, under the supervision of the Special Committee and with the assistance of the Financial Advisor and Goodmans LLP, to review all of the Company's strategic alternatives, including the continued pursuit of the Company's current business plan, seeking additional capital by a private placement or rights offering, as well a sale of the Company or certain assets of the Company. That review process culminated in a confidential, targeted process to seek alternative transactions, including a sale of the Company. A number of interested parties were contacted to determine whether they were interested in entering a transaction with the Company, many of which executed confidentiality agreements with the Company, conducted due diligence on the Company and submitted non-binding proposals. Following this process, the Special Committee and the Board concluded that

the Arrangement represented the best alternative currently available to the Company and the Shareholders in the circumstances.

- *Maintenance of Status Quo not Attractive*. Although the Company's earnings have improved in 2019 as the Bank gained market share and interest rate spreads improved, the Board recognizes that these improvements may only be temporary and, even were they to continue, are unlikely to replace the organic capital generating capability that the Bank had prior to the regulatory changes implemented in 2016 (insurance rule changes) and other regulatory changes since then. Therefore the Board recognizes that to ensure the Bank has the requisite stability, a significant capital infusion is required in the near term, along with a commitment to significant ongoing capital support. As part of the Process and its assessment of the Arrangement, the Board considered the sustainability of the Company maintaining the status quo following a one-time capital injection. The Board concluded that it would be very challenging for the Bank to remain competitive as a smaller regulated Schedule I bank in the absence of significant and ongoing capital support (in addition to an immediate capital injection), which the Board believes is not likely to materialize through the other capital injection alternatives available to the Company. As such, the Board believes that the Company's prospects as an independent publicly listed company would be less favourable to Shareholders than the $0.68 in cash per Common Share to be received by Shareholders pursuant to the Arrangement.

- *Compelling Value Relative to Alternatives*. The Special Committee and the Board, with the assistance of their financial and legal advisors, and based upon their collective knowledge of the business, operations, financial condition, earnings, regulatory environment and prospects of the Company, as well as their collective knowledge of the current and prospective environment in which the Company operates (including regulatory, economic and market conditions), assessed the relative benefits and risks of various alternatives reasonably available to the Company including continued execution of the Company's business plan and the possibility of soliciting other potential buyers of the Company. The Special Committee and Board determined that any solution must contemplate a substantial demonstration and commitment of initial and ongoing financial strength to ensure not only a successful transaction but importantly to solidify the capital structure of the Bank in order to enhance its business and growth prospects. Accordingly, the Special Committee and the Board concluded a one-time capital injection (through a transaction such as a rights offering or private placement) would not satisfy this requirement and would not be in the interest of the Company and its stakeholders. The Special Committee and the Board assessed each reasonably available alternative throughout the process of evaluating and negotiating the Arrangement Agreement and ultimately concluded that the value of $0.68 in cash per Share offered to Shareholders under the Arrangement Agreement with the Purchaser is more favourable than the value that might have been realized through pursuing the other alternatives reasonably available to the Company.

- *Improved Capital Position and Ongoing Financial Strength*. Concurrent with completion of the Arrangement, RFA has committed to cause the equity capital of the Bank to increase by a minimum of $50 million. In addition, RFA has committed to cause the Purchaser to provide an additional $25 million in readily available stand-by capital to the Bank. Subject to the Purchaser's discretion and the achievement of certain performance targets, it is RFA's intention to also cause the Purchaser to inject up to an additional $100 million of further equity capital into the Bank over the next five years to support balance sheet growth. RFA has also committed to provide the Company with access to up to $5 billion of additional mortgage funding. Accordingly, the Special Committee and the Board believe that the Arrangement will allow the Company to benefit from improved financial strength and enhanced competitive positioning under RFA's ownership.

- *Arm's Length Negotiations.* The Arrangement Agreement is the result of extensive arm's-length negotiations between the Company and the Purchaser. The Special Committee supervised the negotiations concerning the Arrangement Agreement and in the judgment of the Special Committee and the Board, following consultations with their advisors, the terms and conditions of the Arrangement Agreement are reasonable.

- *Credibility of the Purchaser and Likelihood of Completion.* RFA is a highly credible and reputable investor with the capacity to complete the transactions contemplated by the Arrangement Agreement. The Arrangement is not subject to a financing condition, as described below.

- *Regulatory Approvals*. The Special Committee and the Board considered the nature of the regulatory approvals that would be required to satisfy the conditions to completing the Arrangement and, after consultation with their legal advisors and meetings with regulatory authorities, concluded that it would be reasonable to expect that such regulatory approvals required for the proposed Arrangement could be obtained within a reasonable time. The Special Committee and the Board believe that any necessary regulatory approvals would be considerably less certain in the case of certain potential alternative proposals, such as a short-term capital injection without substantial ongoing capital and other support.

- *Voting Agreements*. The Purchaser has entered into a Voting Agreement with each of the directors of the Company, certain executive officers of the Company and a Shareholder (collectively holding, directly or indirectly, or exercising control or direction over, an aggregate of 24,209,239 Common Shares, representing approximately 20% of the issued and outstanding Common Shares) pursuant to which each agreed, among other things, to vote their Common Shares in favour of the Arrangement Resolution.

- *Stakeholders*. In the view of the Special Committee and the Board, the terms of the Arrangement Agreement treat stakeholders of the Company equitably and fairly, including the holders of RSUs, DSUs and Options under the Arrangement. The Board conducted its assessment and evaluation of all alternatives having regard to, among other things, the effect on the Company and its stakeholders, including shareholders, employees, regulators, funders, brokers, depositors, customers and other partners. With respect to employees, the Arrangement with the Purchaser appealed to the Special Committee and the Board given RFA's overall commitment to employment preservation, and ongoing career growth opportunities as the business scales following the Effective Date.

- *Limited Conditions to Closing*. The Purchaser's obligation to complete the Arrangement is subject to a limited number of conditions that the Board believes are reasonable in the circumstances and the completion of the Arrangement is not subject to any financing conditions, as described below.

- *No Financing Condition*. The Purchaser has represented that, at the Effective Date, the Purchaser will have sufficient funds available to satisfy the Consideration payable for the Common Shares and to advance amounts to the Company to allow the Company to satisfy amounts payable by the Company to the other Company Securityholders in connection with the Arrangement and in accordance with the Arrangement Agreement. The Purchaser provided the Company with copies of equity commitment letters from a number of investors in the Purchaser that collectively reflect equity contributions to the Purchaser in excess of the total Consideration payable for the Common Shares (which commitment letters can be enforced directly by the Company in certain circumstances). The Arrangement is not conditional on financing.

- *Ability to Respond to Superior Proposal*. Under the Arrangement Agreement, the Board, in certain circumstances, is able to consider, accept and enter into a definitive agreement with respect to a Superior Proposal, or withdraw, modify or amend the Board's recommendation that Shareholders vote to approve the Arrangement Resolution. In the view of the Board, the Termination Payment payable to the Purchaser in connection with a termination of the Arrangement Agreement is reasonable in the circumstances and would not preclude a third party from potentially making a Superior Proposal.

- *Fairness Opinion*. The opinion of the Financial Advisor that the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders.

- *Procedural Safeguards*. For the Arrangement to proceed, (i) the Arrangement Resolution must be approved by not less than two-thirds of the votes cast at the Meeting by Shareholders, (ii) the Arrangement Resolution must be approved by a majority of the votes cast at the Meeting by Shareholders excluding votes attached to Common Shares held by Persons described in items (a) through (d) of Section 8.1(2) of MI 61-101 and required to be excluded pursuant to MI 61-101, (iii) the Arrangement must be approved by the Court, which will consider, among other things, the fairness of the Arrangement, and (iv) the Shareholders have been provided with the right to exercise Dissent Rights.

In the course of its deliberations, the Special Committee and the Board also identified and considered a variety of risks (as described in greater detail under "*Risk Factors*") and potentially negative factors relating to the Arrangement described below under "*The Arrangement – Reasons for the Recommendation*".

The Special Committee's and the Board's reasons for recommending the Arrangement include certain assumptions relating to forward-looking information, and such information and assumptions are subject to various risks. See "*Management Information Circular – Forward-Looking Statements*" and "*Risk Factors*".

Fairness Opinion

In connection with the evaluation by the Board of the Arrangement, the Board received the Fairness Opinion delivered by the Financial Advisor. The Financial Advisor was of the opinion that, as of June 14, 2019 and based on and subject to the scope of review, assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. A summary of the Fairness Opinion is included in this Information Circular, and the full text of the Fairness Opinion, which sets forth among other things, the assumptions made, information reviewed, matters considered, and limitations and qualifications on the review undertaken by the Financial Advisor in connection with the Fairness Opinion, is attached as Appendix E to this Information Circular. Shareholders are urged to read the Fairness Opinion in its entirety. The summary of the Fairness Opinion in this Information Circular is qualified in its entirety by the full text of the Fairness Opinion.

The Fairness Opinion was provided solely for the use of the Special Committee and the Board in connection with their consideration of the Arrangement and is not a recommendation as to how any Shareholder should vote or act on any matter relating to the Arrangement or any other matter.

See "*The Arrangement – Fairness Opinion*" and the complete text of the Fairness Opinion, which is attached as Appendix E to this Information Circular. Shareholders are urged to, and should, read the Fairness Opinion in its entirety.

Arrangement Steps

If the Arrangement is approved at the Meeting and the other conditions set out in the Arrangement Agreement are satisfied or waived at or before the Effective Time, then upon consummation of the Plan of Arrangement each of the events set out in Article 3.1 of the Plan of Arrangement attached as Appendix D to this Information Circular will be deemed to occur in the order specified therein. See "*The Arrangement – Arrangement Steps"* for further details.

Arrangement Agreement

On June 14, 2019, the Company and the Purchaser entered into the Arrangement Agreement, under which the Parties agreed, subject to certain terms and conditions, to complete the Arrangement. This Information Circular contains a summary of certain provisions of the Arrangement Agreement, which summary is qualified in its entirety by the full text of the Arrangement Agreement, a copy of which is attached as Appendix C to this Information Circular. See "*The Arrangement Agreement*".

Pursuant to the Arrangement Agreement, each issued and outstanding Common Share, other than Common Shares held by Shareholders who have validly exercised their rights of dissent, will be transferred to the Purchaser in exchange for $0.68 in cash.

The respective obligations of the Purchaser and the Company to complete the transactions contemplated by the Arrangement Agreement are subject to a number of conditions, which must be satisfied or waived in order for the Arrangement to become effective.

Parties to the Arrangement

The Company

The Company's operations are currently concentrated in residential mortgage lending through its wholly owned subsidiary, Street Capital Bank of Canada (the "**Bank**"), which was founded in 2007 as Street Capital Financial. The Bank has grown to establish itself as one of the largest mortgage lenders in Canada, with $27.6 billion in mortgages under administration ("**MUA**") at December 31, 2018. In December 2016, the Bank was approved to commence business operations as a federally regulated Schedule I bank, and bank operations began on February 1, 2017.

The Company's registered and head office is located at 1 Yonge Street, Suite 2401, Toronto, Ontario M5E 1E5.

The Purchaser

The Purchaser is a privately held Ontario corporation managed by RFA and backed by a variety of private equity investors. The Purchaser is part of the RFA group, a multi-platform, Canadian-owned investment group focused on equity and debt investments in Canadian real estate. Since 1996, the RFA group has invested in over $15 billion in real estate transactions, including as a market leader in CMBS transactions; commercial real estate through Nexus REIT; a growing retirement home portfolio; construction loans and in restructuring distressed real estate assets. Through various platforms and operating companies, the RFA group employs over 500 people across Canada.

Termination Payment

The Arrangement Agreement requires that the Company pay the Termination Payment in certain circumstances. See "*The Arrangement Agreement – Termination Payments*".

Voting Agreements

The Purchaser has entered into Voting Agreements with each of the directors of the Company, certain executive officers of the Company and ICM Limited (collectively holding, directly or indirectly, or exercising control or direction over, an aggregate of 24,209,239 Common Shares, representing approximately 20% of the issued and outstanding Common Shares). The Voting Agreements establish, among other things, the agreement of the directors, executive officers and ICM Limited to vote their Common Shares in favour of the Arrangement. The Voting Agreements shall terminate in the event that the Arrangement Agreement is (a) terminated in accordance with its terms or (b) amended to reduce or adversely change the Consideration.

Depositary

The Company has engaged Computershare Investor Services Inc. to act as Depositary for the receipt of certificates in respect of the Common Shares and related Letter of Transmittal.

Required Shareholder Approval

The Arrangement Resolution must be approved by not less than 66⅔% of the votes cast by Shareholders who vote in respect of the Arrangement Resolution in person or by proxy at the Meeting. In addition, the Arrangement Resolution must be approved by a majority of the votes cast at the Meeting by Shareholders excluding votes attached to Common Shares held by Persons described in items (a) through (d) of Section 8.1(2) of MI 61-101. Duncan Hannay, Adam Levy and Alfonso Casciato each exercise control or direction over, or beneficially own, more than 1% of the issued and outstanding Common Shares, as calculated in accordance with MI 61-101. As such, the acceleration of the vesting of certain Incentive Securities and the transfer of such vested Incentive Securities to the Purchaser in exchange for a cash payment equal to the Consideration (less applicable withholdings) by each of Duncan Hannay, Adam Levy and Alfonso Casciato, and certain cash bonuses payable to Duncan Hannay and Adam Levy upon a change of control, may each be considered to be a "collateral benefit" within the meaning of MI 61-101. Accordingly, the votes of Duncan Hannay, Adam Levy and Alfonso Casciato will be excluded from determining minority approval in accordance with MI 61-101.

See "*Certain Legal and Regulatory Matters – Canadian Securities Law Matters*".

Court Approval

The Arrangement requires the approval of the Court. See *"Certain Legal and Regulatory Matters – Court Approvals"* for further details.

Stock Exchange De-Listing and Reporting Issuer Status

The Common Shares are currently listed on the TSX and trade under the stock symbol "SCB". It is expected that concurrently with (or promptly following) the Effective Date, the Common Shares will be delisted from the TSX. Following the Effective Date, the Company will also seek to be deemed to have ceased to be a reporting issuer under the securities legislation of each of the provinces and territories in Canada under which it is currently a reporting issuer. See *"Certain Legal and Regulatory Matters – Stock Exchange De-Listing and Reporting Issuer Status"* for further details.

Dissent Rights

The Interim Order and the Plan of Arrangement provide Registered Shareholders with Dissent Rights in connection with the Arrangement that will be authorized in the event that the Arrangement Resolution is

approved by Shareholders. Registered Shareholders considering exercising Dissent Rights should seek the advice of their own legal counsel and tax and investment advisors and should carefully review the description of such rights set forth in this Information Circular including time deadlines, as well as the Plan of Arrangement and the Interim Order, and comply with the provisions of Section 185 of the OBCA, the full text of which is set forth in Appendix H to this Information Circular, as modified by the Plan of Arrangement and the Interim Order (where such Dissent Rights may be further modified by the Final Order). See "*Dissent Rights of Shareholders"* for further details.

Certain Canadian Federal Tax Considerations

Shareholders should read carefully the information under "*Certain Canadian Federal Income Tax Considerations*" in this Information Circular, which sets out a general summary of certain tax considerations that may be applicable to Shareholders. Such disclosure is not intended to be legal or tax advice to any particular Shareholder. Shareholders should consult their own tax advisors with respect to their particular circumstances. In addition, holders of Incentive Securities should consult their own tax advisors concerning the tax consequences of the Arrangement having regard to their own particular circumstances.

Risk Factors

Shareholders should consider a number of risk factors related to the Arrangement and the Company in evaluating whether to approve the Arrangement Resolution. These risk factors are discussed herein and/or in certain sections of documents publicly filed, which sections are incorporated herein by reference. See "*Risk Factors*".

INFORMATION CONCERNING THE MEETING

Date, Time and Place of Meeting

The Meeting will be held at 10:00 a.m. (Toronto time) on August 16, 2019, at Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, Ontario, unless adjourned or postponed.

Purpose of the Meeting

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the Arrangement Resolution (a copy of which is attached as Appendix B to this Information Circular) and such other business as may properly come before the Meeting. At the time of the printing of this Information Circular, management of the Company knows of no other matter expected to come before the Meeting, other than the vote on the Arrangement Resolution.

PROXY SOLICITATION AND VOTING

Solicitation of Proxies

The solicitation of proxies for the Meeting will be made primarily by mail, but proxies may also be solicited personally, in writing or by telephone by employees of the Company, at nominal cost. The cost of solicitation will be borne by the Company, except as set forth below. The Company and the Purchaser have retained Shorecrest Group to provide the following services in connection with the Meeting: developing and implementing shareholder communication and engagement strategies, advice as to meeting procedure and proxy protocol, reviewing the tabulation of proxies and the solicitation of proxies including contacting shareholders by telephone. Shorecrest expects to receive from the Purchaser a fee of $50,000 for these services plus reasonable out of pocket fees.

If you have any questions regarding the information contained in this Information Circular or if you require assistance with voting, please contact Shorecrest Group, by telephone at 1-888-637-5789 toll free in North America or by email at contact@shorecrestgroup.com.

The information contained herein is given as of July 11, 2019, except where otherwise noted.

Appointment and Revocation of Proxies

Together with this Information Circular, Shareholders as of the Record Date are also being sent a form of proxy. The Persons named in such proxy are directors of the Company. **A Shareholder who wishes to appoint some other Person to represent him or her at the Meeting may do so by crossing out the Persons named in the enclosed proxy and inserting such Person's name in the blank space provided in the form of proxy or by completing another proper form of proxy. Such other Person need not be a Shareholder of the Company. To be valid, proxies must be deposited at the offices of the Company's Transfer Agent, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, so as not to arrive later than 10:00 a.m. (Toronto time) on August 14, 2019. If the Meeting is adjourned, proxies must be deposited 48 hours (excluding Saturdays, Sundays and statutory holidays), before the time set for any reconvened meeting at which the proxy is to be used.**

The document appointing a proxy must be in writing and completed and signed by a Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Persons signing as officers, attorneys, executors, administrators, trustees, etc., should so indicate and provide satisfactory evidence of such authority.

A Registered Shareholder as of the Record Date who has given a proxy may revoke such proxy by: (i) completing and signing a proxy bearing a later date and depositing it with the Transfer Agent in accordance with the instructions set out above; or (ii) depositing an instrument in writing expressly revoking such proxy executed by the Registered Shareholder or by the Registered Shareholder's personal representative authorized in writing (a) at the office of the Transfer Agent no later than 10:00 a.m. (Toronto time) on August 14, 2019 or in the event that the Meeting is adjourned or postponed, no later than 48 hours, excluding Saturdays, Sundays, and statutory holidays, before any reconvened Meeting; (b) with the scrutineers of the Meeting, addressed to the attention of the Chair of the Meeting, prior to the commencement of the Meeting on the day of the Meeting, or where the Meeting has been adjourned or postponed, prior to the commencement of the reconvened or postponed Meeting on the day of such reconvened or postponed Meeting; or (c) in any other manner permitted by law.

A non-registered Shareholder who has given voting instructions to an Intermediary may revoke such voting instructions by following the instructions of such Intermediary. However, an Intermediary may be unable to take any action on such revocation if the revocation is not provided sufficiently in advance of the Meeting or any adjournment or postponement thereof. See "*Information For Beneficial Shareholders*".

The Company may utilize Broadridge QuickVote™ to assist NOBO (non-objecting beneficial owners) holders with voting their Common Shares. NOBOs may be contacted by Shorecrest Group to conveniently obtain a vote directly over the telephone.

Voting of Proxies

The Persons named in the accompanying form of proxy will vote the Common Shares in respect of which they are appointed, on any ballot that may be called for, in accordance with the instructions of the Shareholder as indicated on the proxy. **In the absence of such specification, such Common Shares will be voted FOR the Arrangement Resolution, as more particularly described herein.**

The Persons appointed under the form of proxy are conferred with discretionary authority with respect to amendments to or variations of matters identified in the form of proxy and the Notice of Meeting and with respect to other matters that may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting, it is the intention of the Persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of printing this Information Circular, the Board knows of no such amendments, variations or other matters.

VOTING SECURITIES OF THE COMPANY AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares. At the Meeting, each Shareholder of record at the close of business on July 8, 2019, the record date established for the notice of the meeting (the "**Record Date**"), will be entitled to one vote for each Common Share held on all matters proposed to come before the Meeting. As of the Record Date, there were 122,184,182 Common Shares outstanding. The Company has not purchased or sold any Common Shares during the 12 months preceding the date of this Information Circular.

Shareholders as of the Record Date are entitled to vote at the Meeting either in person or by proxy. The quorum for the Meeting shall be at least two Persons entitled to vote at the Meeting, whether present in person or represented by proxy, holding or representing the holder or holders of Common Shares carrying not less than 25% of the total number of Common Shares outstanding. No persons becoming Shareholders after the close of business on the Record Date will be entitled to vote at the Meeting, or any adjournment or postponement thereof. Common Shares held through a securities broker, financial

institution, trustee, custodian or other nominee who holds securities on behalf of a beneficial holder or in the name of a clearing agency (an "**Intermediary**"), will be voted by the registered holder thereof, in accordance with the instructions given by the beneficial holder of such Common Shares to such Intermediary. No other securityholders are entitled to vote at the Meeting other than Shareholders.

To the knowledge of the Board, as at the Record Date, no Person beneficially owns, or exercises control or direction, directly or indirectly, over more than 10% of the Common Shares other than FCMI Financial Corporation ("**FCMI**") which, together with its joint actors FCMI Parent Co. and Pan Atlantic Bank and Trust Limited, owns 12,412,151 Common Shares, representing 10.2% of the issued and outstanding Common Shares. Such determination was made by the Company solely from SEDI and SEDAR filings and the Company has undertaken no other investigation to determine the existence of any Persons who may beneficially own or exercise control or direction over, directly or indirectly, voting shares of the Company carrying 10% or more of the voting rights attaching to the total number of issued and outstanding Common Shares.

INFORMATION FOR BENEFICIAL SHAREHOLDERS

Information set forth in this section is very important to Persons who hold Common Shares other than in their own names. Materials in connection with the Meeting are being sent to both registered and non-registered owners of the Common Shares. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

A non-registered Shareholder of the Company (a "**Beneficial Shareholder**") who beneficially owns Common Shares, but whose Common Shares are registered in the name of an Intermediary, should note that only proxies or instructions deposited by securityholders whose names are on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

Common Shares that are listed in an account statement provided to a Beneficial Shareholder by a broker are registered in the name of CDS Clearing and Depositary Services Inc. or its nominee and not in the Beneficial Shareholder's own name on the records of the Company.

Applicable regulatory policy in Canada requires brokers and other Intermediaries to seek voting instructions from Beneficial Shareholders in advance of securityholders' meetings. Every broker or other Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker or other Intermediary is identical to that provided to registered securityholders. However, its purpose is limited to instructing the registered securityholder how to vote on behalf of the Beneficial Shareholder. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting instruction forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions representing the voting of the securities to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their broker or other Intermediary, a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered holder of Common Shares and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Common Shares as proxyholder for the registered holder should enter their own names in the blank space on the form of proxy or voting instruction form provided to them and return the same to their broker or other Intermediary (or the agent of such broker or other Intermediary) in accordance with the instructions provided by such broker, agent or other Intermediary well in advance of the Meeting.

THE ARRANGEMENT

Background to the Arrangement

The execution of the Arrangement Agreement between the Company and the Purchaser on June 14, 2019 was the result of extensive arm's length negotiations between representatives of the Company and RFA, and their respective advisors. The following is a summary of the material meetings, negotiations, discussions and actions that preceded the execution and public announcement of the Arrangement Agreement.

The headwinds faced by the Company commenced with the changes in regulatory requirements relating to mortgage underwriting and mortgage insurance qualification requirements announced by the Department of Finance in October 2016. While there have been multiple rule changes over the past five years, these particular revisions ultimately reduced the size of the Bank's addressable market for prime insurable mortgages by more than 30% through 2017, leading to a sustained reduction in its prime mortgage origination volumes and pressuring the Bank's profitability and capital levels. The 2016 mortgage insurance rule changes and other regulatory changes since then have put pressure on Street Capital's traditional business model making it difficult to compete effectively, and to generate sustainable profitability and capital as a regulated Schedule I bank.

The Board entered 2018 cautiously optimistic about the potential for improving the financial performance of the Bank and particularly the opportunity to participate in the large prime conventional uninsurable market that was created as a result of the mortgage rule changes, which, if the Bank was successful could have increased prime mortgage originations. However, as the Bank progressed through the year it became apparent that competitive funding for prime uninsurable mortgages was going to take longer than anticipated to develop and become a viable, reliable and ongoing source of profitable mortgage origination. This led to a significant sustained competitive advantage for large, better capitalized financial institutions or other lenders who could fund these mortgages on balance sheet or through other structures. At the same time housing and mortgage markets were adjusting to the recent rule changes, resulting in an overall decline in market activity and pressure on mortgage spreads as rate competition increased.

The effects of this challenging market environment on the Bank's traditional, insured mortgage business posed challenges for the Company to achieve sustainable profitability and generate sufficient capital to meet the regulatory capital requirements the Bank is subject to as a regulated financial institution, in particular given the growth of the Street Solutions portfolio, the Bank's uninsured, on-balance sheet funded mortgage product.

In July 2018, the Board began considering various strategic alternatives available to the Company in light of an evolving regulatory environment and its impact on the Bank's business plans and competitiveness. The Board determined that there was no need to create a special committee at that time, but the directors continued their practice of meeting "in camera" (without any management present) after each Board meeting. To assist in its review, the Board retained the Financial Advisor to assist the Board in exploring

a broad range of strategic alternatives available to the Company, including an assessment of the Bank's existing business.

In early July 2018, the President and CEO of another Schedule I bank ("**Party 1**") contacted Allan Silber, the Chairman of the Board at the time, to schedule a meeting and on July 11, 2018, Mr. Silber met with the President and CEO of Party 1. At that meeting, the CEO of Party 1 discussed the possible combination of the two companies, which he believed would offer a unique and compelling opportunity for the Company and create value for all shareholders and other stakeholders.

On August 8, 2018, the Financial Advisor provided the Board with its assessment of a range of the Company's strategic alternatives, based on, among other things, meetings with senior management of the Company through the month of July 2018 and its own review and assessment of the Company's operations, financial forecast, capital needs and underlying business model. The alternatives reviewed by the Financial Advisor and the Board included: (a) continuing with the Bank's current standalone business plan, supplemented by an injection of new equity of the Company to provide the Bank with additional capital to pursue its business plan, (b) entering into an agreement with a strategic partner to grow the Bank's business, (c) a sale of all of the Company's shares in a going private transaction, and (d) a sale of all or certain assets of the Company or the Bank. Each of these alternatives was reviewed and considered by the Board with the assistance of the Financial Advisor and Company management. The Board concluded that while there was no immediate capital need, that ultimately additional capital would be required to execute the Bank's long-term business plans and growth objectives. The Board instructed the Financial Advisor and management to continue to refine and finalize the standalone strategic plan and financial forecast and engage in further discussions with one possible strategic partner that had already expressed an interest in pursuing a business relationship with the Bank with a view to determining if a transaction was available that would be in the best interest of the Company.

On September 13, 2018, the Chairman of the Company received a letter from the President and CEO of Party 1 in which Party 1 expressed an interest in a combination with the Company and requested access to non-public information in order to conduct due diligence with the goal of developing a more formal proposal. The Chairman of the Company forwarded this letter to the Board, the Financial Advisor and Goodmans LLP and a meeting of the Board was scheduled for September 17, 2018.

On September 17, 2018, the Board received an update from the Financial Advisor on the unsolicited expression of interest from Party 1 as well as a briefing from Company management reviewing its most recent standalone business plan and the risks and opportunities associated therewith. The Board and its advisors reviewed a number of possible responses to the unsolicited expression of interest, including not engaging with Party 1, continuing negotiations with Party 1, and initiating a broader process to solicit interest in the possible sale of the Company or another transaction that would be in the best interest of the Company. The Board also reviewed considerations in the event an unsolicited offer from Party 1 was disclosed to the public. A representative of Goodmans LLP provided an overview to the Board of the legal obligations of directors in considering the range of possible responses to the unsolicited expression of interest from Party 1. The Board also discussed and considered the most recent business update and standalone business plan provided by management, including the possibility of a new relationship with a strategic partner to grow various aspects of the Bank's business. The Board authorized the Chairman of the Company to contact Party 1 to obtain more information about its potential interest in the acquisition of the Company in order to assess whether it would be worthwhile to pursue further discussions.

The Chairman of the Company met with the President and CEO of Party 1 on September 26, 2018 to request further information about its interest in acquiring the Company, including the range of potential offer prices, the form of consideration, financing and other conditions of any offer.

On October 12, 2018, the Board met and received an update on discussions with Party 1, management's efforts with respect to a revised standalone business plan and certain regulatory developments.

On October 16, 2018, Party 1 provided a draft, unsigned non-binding proposal with respect to the potential acquisition of the Company, which provided further details about the terms and conditions of such possible acquisition, including a request for four weeks of exclusivity. Later that day, the Company provided Party 1 with a form of confidentiality and standstill agreement that would be required in the event discussions were to continue further. Over the course of the day on October 17, 2018, the Company and Party 1 settled the terms of and executed a confidentiality and standstill agreement (which did not contain an exclusivity provision).

On October 17, 2018, the Board was provided with an update on the latest developments with Party 1 and reviewed and considered an updated presentation from the Financial Advisor on the status of a variety of other strategic alternatives under continuing review.

In late October 2018, the Financial Advisor was contacted by representatives of a different Schedule I Canadian bank ("**Party 2**") expressing interest in discussing a possible combination with the Company. In response to this outreach, the Board authorized the Chairman of the Company to contact the CEO of Party 2. The Chairman of the Company and Ed Gettings subsequently met with the CEO of Party 2 to discuss its interest in the Company.

The Board met with its advisors and senior management a number of times in October and November 2018 to review the Bank's standalone business plan going forward, key challenges facing the Bank's business, challenges and opportunities with remaining an independent entity and a variety of other strategic alternatives that might be available to the Company.

On November 29, 2018, the Chairman of the Company received a further letter from Party 1 which contained an updated non-binding proposal with an indicative offer price that was lower than the price contained in its prior letter dated October 16, 2018 and remained subject to a number of conditions, including a four week period of exclusivity to, among other things, continue due diligence.

On November 29, 2018, the Chairman of the Company was contacted by the CEO of Party 2, who once again expressed interest in pursuing a possible combination with the Company. On November 30, 2018, Party 2 signed a confidentiality and standstill agreement with the Company and was provided with access to the same non-public information that had been previously provided to Party 1.

Between November 30, 2018 and mid-December 2018, each of Party 1 and Party 2 were provided with access to certain non-public information respecting the Company in order to perform due diligence. In addition, management made presentations to representatives to each of Party 1 and Party 2 respecting the Company's business and operations.

On December 4, 2018, Party 1 delivered a non-binding letter of intent to acquire the Company for a combination of cash and shares of Party 1, subject to ongoing due diligence and the negotiation of definitive agreements. This letter of intent included a request for exclusivity for three weeks. On December 5, 2018, the Company signed the non-binding letter of intent with Party 1 with respect to the potential acquisition of the Company, including an exclusivity period expiring on December 19, 2018. In light of its exclusivity agreement with Party 1, the Company discontinued discussions with Party 2.

On December 11, 2018, the Board met to receive an update on discussions with Party 1, as well as an update on a variety of other strategic alternatives available to the Company, including continuing to operate on a standalone basis.

On December 12, 2018, representatives of Party 1 advised representatives of the Company that Party 1 was no longer willing to pursue an acquisition of the Company.

On December 18, 2018, Party 2 indicated to representatives of the Company that it was no longer willing to pursue an acquisition of the Company.

On December 21, 2018, as a result of the strategic review conducted over the previous months, the Company announced Phase I of a strategic realignment with the objective of returning the Company to sustainable profitability and steadily growing its capital base. Following a detailed assessment of the needs of Bank's business going forward, including its capital requirements, the Company announced Phase II of its strategic realignment on January 16, 2019.

On December 24, 2018, the Company announced that Allan Silber was retiring as Chairman and a director of the Company and the Bank. Mr. Silber's retirement took effect on January 3, 2019 when Lea M. Ray was appointed as Chairman of Company and the Bank.

On January 21, 2019, the Board created the Special Committee comprised of Carrie Russell (Chair), Ron Lalonde, Lea M. Ray and Duncan Hannay. The Special Committee was created to assist the Board in fulfilling its oversight responsibilities relating to the long-term strategy for the Company, including evaluating various risks and opportunities facing the Company and strategic decisions regarding investments, acquisitions, divestitures and the Company's entry into and exit from material lines of business. The Special Committee met both formally and informally on a regular basis throughout the process described below, including regular "in camera" meetings without Mr. Hannay (or any other senior management).

On February 14, 2019, the Board met and reviewed a presentation from the Financial Advisor outlining the Financial Advisor's views on a variety of strategic alternatives available to the Company that had been reviewed by the Special Committee. These alternatives included: business as usual without any capital injection, business as usual with a capital injection, a sale of the Company to a financial sponsor, a sale of the Company to a strategic buyer and a sale of selected assets of the Company. Each of these alternatives was reviewed, considered and discussed by the Board with the assistance of the Financial Advisor and management. The Board also considered a variety of procedural alternatives and various implications relating to each alternative. At the conclusion of its review, the Board authorized the Company and the Financial Advisor to commence a confidential, targeted process to solicit proposals with respect to the sale of the Company, the sale of certain assets of the Company or an investment in treasury capital with a commitment to delivering ongoing financial strength (the "**Process**").

As part of the Process conducted by the Financial Advisor under the supervision of the Special Committee, 18 parties were invited to participate in the Process, 12 of which executed confidentiality agreements with the Company. Nine parties conducted due diligence on the Company commencing in March 2019, including the review of a confidential information presentation and a virtual data room, as well as a meeting with the Company's management. Each of the parties was provided with a process letter, which provided instructions for the submission of a non-binding proposal on March 21, 2019.

On March 21, 2019, the Company received non-binding proposals from seven parties, four of which were for an acquisition of 100% the Company, two of which expressed interest in the acquisition of certain assets of the Bank and one of which proposed a private placement in the Company.

On March 28, 2019, the Board met to receive an update from the Financial Advisor about the various proposals that had been delivered as a result of the Process. It became clear as the Company and its advisors engaged with the Company's stakeholders through the Process that it was imperative that any solution must contemplate a substantial demonstration and commitment of initial and ongoing financial

strength to ensure not only a successful transaction but importantly to solidify the capital structure of the Bank in order to enhance its business and growth prospects. The Board concluded a one-time capital injection would not satisfy this requirement and would not be in the interest of the Company and its stakeholders. The Board conducted an assessment and evaluation of each of the proposals received, having regard to, among other things, the advantages and disadvantages of each such proposal and the related effect on the Company and its stakeholders, including shareholders, employees, regulators, funders, brokers, depositors, customers and other partners. Following consideration of each proposal received, the Board instructed the Financial Advisor to continue discussions with two identified parties that had expressed an interest in acquiring 100% of the Company, one of which was RFA and one of which is identified as "Party 3". Each of RFA and Party 3 were provided with additional due diligence materials and further access to management, as well as access to certain non-public regulatory information relating to the Bank. On April 18, 2019, each of RFA and Party 3 were provided with an updated process letter, which included a form of arrangement agreement to review and submit with their final proposals on May 3, 2019.

On May 3, 2019, the Company received updated non-binding proposals from each of RFA and Party 3. Each of these proposals was for an acquisition of 100% of the shares of the Company for cash. RFA's proposal indicated an offer price of $0.68 per share and included a marked-up version of the form of arrangement agreement provided. Party 3's proposal indicated an offer price below that of RFA and included significantly more conditionality relative to RFA's proposal. Representatives of the Financial Advisor, the Chair of the Special Committee and the CEO of the Company met over the weekend of May 4-5, 2019 to review and assess the proposals received from RFA and Party 3.

On May 6, 2019, the Special Committee met, along with the Financial Advisor and Goodmans LLP, to review and consider the proposals received from RFA and Party 3. Following presentations from the Financial Advisor and considering the attributes of each proposal, the Special Committee requested that the Financial Advisor engage with both interested parties to clarify certain terms of their proposals and communicate as to how certain key aspects of their proposals could be improved, with the objective of reporting back to the Special Committee and the full Board the following day.

On May 7, 2019, the Special Committee met with the Financial Advisor and Goodmans LLP to receive an update on certain aspects of the proposals made by RFA and Party 3. Following a discussion and consideration of the attributes of each proposal, the Special Committee resolved to recommend to the Board that the Company enter into exclusive negotiations with RFA with the objective of negotiating definitive agreements for a transaction. Later on May 7, 2019, the Board met to consider the proposals made by RFA and Party 3 and received a report from the Special Committee and the Financial Advisor on the results of the latest phase of the Process. Following consideration of all strategic alternatives available to the Company at that time, the Board instructed the Financial Advisor and Goodmans LLP to negotiate the terms of an exclusivity agreement with RFA within certain parameters discussed by the Board.

On May 8, 2019, the Company entered into an exclusivity agreement with RFA granting it exclusivity until June 8, 2019. The exclusivity agreement was subsequently extended to June 14, 2019.

Between May 8 and June 14, 2019, RFA conducted certain due diligence on the Company and the parties negotiated the terms of the Arrangement Agreement, the Regulatory Commitment Letter and the Voting Agreements, which included acceptable improvements in certain key aspects relative to RFA's proposal submitted on May 3, 2019. During this time, the Special Committee and the Board had many formal and informal discussions amongst themselves, their advisors and management of the Company and was kept apprised of RFA's progress on a regular basis.

The Bank Act prohibits the Bank from disclosing, directly or indirectly, certain supervisory information including any risk rating or stage of intervention assigned by OSFI, any report prepared by or at the request of OSFI as a result of a supervisory review (and related correspondence) and any risk-based premium applicable to the Bank under the *Canada Deposit Insurance Corporation Act* and the bylaws made thereunder. During its assessment of the Company, RFA and its respective advisors met a number of times with representatives of OSFI and CMHC to discuss certain regulatory approvals that would be required in connection with the proposed transaction. These meetings were important as any person seeking to acquire a significant interest or controlling interest in a federally regulated financial institution (such as the Bank) must meet the regulatory expectation that such person will provide ongoing financial, managerial or operational support should such support prove necessary.

On June 14, 2019, the Special Committee met to consider the final terms of the proposed definitive agreements with respect to the Arrangement. At the conclusion of the meeting, the Special Committee unanimously resolved to recommend to the Board that it approve the Arrangement Agreement. Duncan Hannay, the Chief Executive Officer of the Company, abstained from voting given that he would be deemed to be receiving a "collateral benefit" as contemplated by MI 61-101.

At a meeting of the Board held later on June 14, 2019, the Board received a report from the Special Committee and a briefing from Goodmans LLP on the material terms of the Arrangement Agreement as finalized with RFA. The Board also received the oral opinion of the Financial Advisor (subsequently confirmed in the Fairness Opinion) to the effect that, as of June 14, 2019, and based upon and subject to the assumptions, limitations, qualifications and other matters contained in the Fairness Opinion, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to such Shareholders. After receiving the oral fairness opinion from the Financial Advisor, the Board then considered and discussed the proposed transaction and finalized its unanimous recommendation. At the conclusion of the meeting, the Board unanimously resolved (with Mr. Hannay abstaining) to approve the Arrangement Agreement.

The Arrangement Agreement and related agreements were signed after the close of the markets on Friday, June 14, 2019. The Company issued a news release announcing the execution of the transaction documents before the markets opened on Monday, June 17, 2019.

Recommendation of the Special Committee

The Special Committee, having undertaken a thorough review of, and having carefully considered information concerning the Company, the Purchaser, RFA, and the terms of the Arrangement and other strategic alternatives, including the option of remaining a publicly traded company, and after consulting with its financial and legal advisors, including receiving the Fairness Opinion (see "*The Arrangement – Fairness Opinion*" below) and presentations from the Financial Advisor, has unanimously determined: (i) that the Arrangement is in the best interests of the Company (taking into account the interests of all affected stakeholders); (ii) to recommend that the Board approve the Arrangement Agreement; and (iii) to recommend that the Board recommend to Shareholders that they vote **FOR** the Arrangement Resolution.

In forming its recommendation to the Board, the Special Committee considered a number of factors, including, without limitation, those listed below under "*Reasons for the Recommendation*". The Special Committee based its recommendation upon the totality of the information presented to and considered by it in light of the members of the Special Committee's knowledge of the business, operations, financial condition, earnings, regulatory environment and prospects of the Company and after taking into account the advice of its financial and legal advisors and the advice and input of management of the Company.

Recommendation of the Board

The Board, having undertaken a thorough review of, and having carefully considered the recommendation of the Special Committee, information concerning the Company, the Purchaser, RFA and the terms of the Arrangement, including the option of remaining a publicly traded company, and after consulting with its financial and legal advisors, including receiving the Fairness Opinion (see "*The Arrangement – Fairness Opinion*" below), presentations from the Financial Advisor, has unanimously determined that the Arrangement is in the best interests of the Company and that the Consideration to be received by Shareholders pursuant to the Arrangement is fair to Shareholders. Accordingly, the Board unanimously recommends that Shareholders vote **FOR** of the Arrangement Resolution.

In forming its recommendation, the Board considered a number of factors, including, without limitation, those listed below under "*Reasons for the Recommendation*". The Board based its recommendation upon the totality of the information presented to and considered by it in light of the members of the Board's knowledge of the business, operations, financial condition, earnings, regulatory environment and prospects of the Company and after taking into account the advice of its financial and legal advisors and the advice and input of management of the Company. Each of the directors and certain executive officers of the Company intends to vote all of such individual's Common Shares in favour of the Arrangement Resolution and each has entered into a Voting Agreement with the Purchaser.

Duncan Hannay, President and Chief Executive Officer of the Company and a member of the Special Committee and the Board, did not vote on the Arrangement on the basis of the fact he would be deemed to be receiving a "collateral benefit" within the meaning of MI 61-101. Reference in this Information Circular to the unanimous determination of the Special Committee or the Board does not include Duncan Hannay. See "*Certain Legal and Regulatory Matters - Canadian Securities Law Matters*" for further details.

Reasons for the Recommendation

In making their recommendations, the Special Committee and the Board reviewed a significant amount of information and carefully considered a number of factors, including those listed below. The Board based its recommendation upon the totality of the information presented to and considered by it in light of the directors' knowledge of the business, operations, financial condition, earnings, regulatory environment and prospects of the Company, after taking into account the advice of the Company's financial and legal advisors, the recommendation of the Special Committee, and the advice and input of management.

The following summary of the information and factors considered by the Board is not intended to be exhaustive, but includes a summary of the material information and factors considered in the consideration of the Arrangement. In view of the variety of factors and the amount of information considered in connection with the consideration of the Arrangement, the Board did not find it practicable to, and did not, quantify or otherwise attempt to assign any relative weight to each of the specific factors considered in reaching its conclusions and recommendation.

- *Attractive Consideration for Shareholders*. The Consideration under the Arrangement offered to the Shareholders represents a 36% premium to the Company's closing price per Common Share on the TSX on June 14, 2019 (the trading day immediately prior to the announcement of the execution of the Arrangement Agreement), and implies a multiple of price-to-book value per share of approximately 1.0x (calculated using total equity as of March 31, 2019 of $86.7 million as adjusted for negative non-controlling interest divided by the number of Common Shares, RSUs and DSUs outstanding).

- *Certainty of Value and Liquidity*. The Consideration being offered to the Shareholders under the Arrangement is all cash, which allows Shareholders to immediately realize value for all of their investment and provides certainty of value and immediate liquidity at a significant premium to the market price on June 14, 2019, as described above.

- *Special Committee and Board Oversight*. The Special Committee, which is comprised of a majority of independent directors, oversaw, reviewed and considered the Arrangement. The Special Committee and the Board were advised by highly qualified financial and legal advisors. The Arrangement was unanimously recommended to the Board by the Special Committee, and was unanimously approved by the Board, which is comprised of eight directors, seven of whom are non-management and independent of the Company. Duncan Hannay, the President and Chief Executive Officer of the Company, abstained from voting given that he would be deemed to be receiving a "collateral benefit" as contemplated by MI 61-101.

- *Comprehensive and Rigorous Strategic Alternatives Process*. The Arrangement arose out of a comprehensive and rigorous process conducted by the Company, under the supervision of the Special Committee and with the assistance of the Financial Advisor and Goodmans LLP, to review all of the Company's strategic alternatives, including the continued pursuit of the Company's current business plan, seeking additional capital by a private placement or rights offering, as well a sale of the Company or certain assets of the Company. That review process culminated in a confidential, targeted process to seek alternative transactions, including a sale of the Company. A number of interested parties were contacted to determine whether they were interested in entering a transaction with the Company, many of which executed confidentiality agreements with the Company, conducted due diligence on the Company and submitted non-binding proposals. Following this process, the Special Committee and the Board concluded that the Arrangement represented the best alternative currently available to the Company and the Shareholders in the circumstances.

- *Maintenance of Status Quo not Attractive*. Although the Company's earnings have improved in 2019 as the Bank gained market share and interest rate spreads improved, the Board recognizes that these improvements may only be temporary and, even were they to continue, are unlikely to replace the organic capital generating capability that the Bank had prior to the regulatory changes implemented in 2016 (insurance rule changes) and other regulatory changes since then. Therefore the Board recognizes that to ensure the Bank has the requisite stability, a significant capital infusion is required in the near term, along with a commitment to significant ongoing capital support. As part of the Process and its assessment of the Arrangement, the Board considered the sustainability of the Company maintaining the status quo following a one-time capital injection. The Board concluded that it would be very challenging for the Bank to remain competitive as a smaller regulated Schedule I bank in the absence of significant and ongoing capital support (in addition to an immediate capital injection), which the Board believes is not likely to materialize through the other capital injection alternatives available to the Company. As such, the Board believes that the Company's prospects as an independent publicly listed company would be less favourable to Shareholders than the $0.68 in cash per Common Share to be received by Shareholders pursuant to the Arrangement.

- *Compelling Value Relative to Alternatives*. The Special Committee and the Board, with the assistance of their financial and legal advisors, and based upon their collective knowledge of the business, operations, financial condition, earnings, regulatory environment and prospects of the Company, as well as their collective knowledge of the current and prospective environment in which the Company operates (including regulatory, economic and market conditions), assessed the relative benefits and risks of various alternatives reasonably available to the Company including continued execution of the Company's business plan and the possibility of soliciting

other potential buyers of the Company. The Special Committee and Board determined that any solution must contemplate a substantial demonstration and commitment of initial and ongoing financial strength to ensure not only a successful transaction but importantly to solidify the capital structure of the Bank in order to enhance its business and growth prospects. Accordingly, the Special Committee and the Board concluded a one-time capital injection (through a transaction such as a rights offering or private placement) would not satisfy this requirement and would not be in the interest of the Company and its stakeholders. The Special Committee and the Board assessed each reasonably available alternative throughout the process of evaluating and negotiating the Arrangement Agreement and ultimately concluded that the value of $0.68 in cash per Share offered to Shareholders under the Arrangement Agreement with the Purchaser is more favourable than the value that might have been realized through pursuing the other alternatives reasonably available to the Company. For example, assuming a third-party capital injection of $50 million, the Common Shares would need to trade at a multiple of price-to-book value per Common Share of approximately 1.1x in order to achieve a pro forma trading price per Common Share of $0.68 (which is equal to the cash Consideration offered by the Purchaser), as shown in the table below. The implied price-to-book value per Common Share multiple of 1.1x required to achieve a pro forma trading price per Common Share of $0.68 represents a substantial premium to the trading levels of the Company's closest peers[1], which are more profitable, with more consistent earnings, and generate higher return-on-equity than the Company.

Illustrative Third Party Capital Injection and Breakeven Price-To-Book value per Share Multiple

	Current (June 14, 2019)	**Illustrative Capital Raise[2] (Impact)**	**Pro Forma**
Adjusted Book Value of Equity ($ millions)[3]	$86.7	+$50	$136.7
Securities Outstanding (millions)[4]	125.2	+100.0	225.2
Adjusted Book Value per Common Share	**$0.69**		**$0.61**
Consideration per Common Share offered by the Purchaser			$0.68
Implied Adjusted Price-to-Book Value per Common Share			**1.1x**

[1] Closest peers considered to be Home Capital Group Inc. (TSX: HCG) and Equitable Group Inc. (TSX: EQB).

[2] Illustrative third-party issuance of 100.0 million Common Shares from treasury at an issuance price of $0.50 (closing price of the Common Shares on the TSX on June 14, 2019).

[3] Calculated using total equity as of March 31, 2019 of $86.7 million as adjusted for negative non-controlling interest.

[4] Includes Common Shares, RSUs and DSUs outstanding as of June 14, 2019.

- *Improved Capital Position and Ongoing Financial Strength*. Concurrent with completion of the Arrangement, RFA has committed to cause the equity capital of the Bank to increase by a minimum of $50 million. In addition, RFA has committed to cause the Purchaser to provide an additional $25 million in readily available stand-by capital to the Bank. Subject to the Purchaser's discretion and the achievement of certain performance targets, it is RFA's intention to also cause the Purchaser to inject up to an additional $100 million of further equity capital into the Bank over the next five years to support balance sheet growth. RFA has also committed to provide the Company with access to up to $5 billion of additional mortgage funding. Accordingly, the Special Committee and the Board believe that the Arrangement will allow the Company to benefit from improved financial strength and enhanced competitive positioning under RFA's ownership.

- *Arm's Length Negotiations*. The Arrangement Agreement is the result of extensive arm's-length negotiations between the Company and the Purchaser. The Special Committee supervised the negotiations concerning the Arrangement Agreement and in the judgment of the Special Committee and the Board, following consultations with their advisors, the terms and conditions of the Arrangement Agreement are reasonable.

- *Credibility of the Purchaser and Likelihood of Completion*. RFA is a highly credible and reputable investor with the capacity to complete the transactions contemplated by the Arrangement Agreement. The Arrangement is not subject to a financing condition, as described below.

- *Regulatory Approvals*. The Special Committee and the Board considered the nature of the regulatory approvals that would be required to satisfy the conditions to completing the Arrangement and, after consultation with their legal advisors and meetings with regulatory authorities, concluded that it would be reasonable to expect that such regulatory approvals required for the proposed Arrangement could be obtained within a reasonable time. The Special Committee and the Board believe that any necessary regulatory approvals would be considerably less certain in the case of certain potential alternative proposals, such as a short-term capital injection without substantial ongoing capital and other support.

- *Voting Agreements.* The Purchaser has entered into a Voting Agreement with each of the directors of the Company, certain executive officers of the Company and a Shareholder (collectively holding, directly or indirectly, or exercising control or direction over, an aggregate of 24,209,239 Common Shares, representing approximately 20% of the issued and outstanding Common Shares) pursuant to which each agreed, among other things, to vote their Common Shares in favour of the Arrangement Resolution.

- *Stakeholders*. In the view of the Special Committee and the Board, the terms of the Arrangement Agreement treat stakeholders of the Company equitably and fairly, including the holders of RSUs, DSUs and Options under the Arrangement. The Board conducted its assessment and evaluation of all alternatives having regard to, among other things, the effect on the Company and its stakeholders, including shareholders, employees, regulators, funders, brokers, depositors, customers and other partners. With respect to employees, the Arrangement with the Purchaser appealed to the Special Committee and the Board given RFA's overall commitment to employment preservation, and ongoing career growth opportunities as the business scales following the Effective Date.

- *Limited Conditions to Closing*. The Purchaser's obligation to complete the Arrangement is subject to a limited number of conditions that the Board believes are reasonable in the

circumstances and the completion of the Arrangement is not subject to any financing conditions, as described below.

- *No Financing Condition*. The Purchaser has represented that, at the Effective Date, the Purchaser will have sufficient funds available to satisfy the Consideration payable for the Common Shares and to advance amounts to the Company to allow the Company to satisfy amounts payable by the Company to the other Company Securityholders in connection with the Arrangement and in accordance with the Arrangement Agreement. The Purchaser provided the Company with copies of equity commitment letters from a number of investors in the Purchaser that collectively reflect equity contributions to the Purchaser in excess of the total Consideration payable for the Common Shares (which commitment letters can be enforced directly by the Company in certain circumstances). The Arrangement is not conditional on financing.

- *Ability to Respond to Superior Proposal*. Under the Arrangement Agreement, the Board, in certain circumstances, is able to consider, accept and enter into a definitive agreement with respect to a Superior Proposal, or withdraw, modify or amend the Board's recommendation that Shareholders vote to approve the Arrangement Resolution. In the view of the Board, the Termination Payment payable to the Purchaser in connection with a termination of the Arrangement Agreement is reasonable in the circumstances and would not preclude a third party from potentially making a Superior Proposal.

- *Fairness Opinion*. The opinion of the Financial Advisor that the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders.

- *Procedural Safeguards*. For the Arrangement to proceed, (i) the Arrangement Resolution must be approved by not less than two-thirds of the votes cast at the Meeting by Shareholders, (ii) the Arrangement Resolution must be approved by a majority of the votes cast at the Meeting by Shareholders excluding votes attached to Common Shares held by Persons described in items (a) through (d) of Section 8.1(2) of MI 61-101 and required to be excluded pursuant to MI 61-101, (iii) the Arrangement must be approved by the Court, which will consider, among other things, the fairness of the Arrangement, and (iv) the Shareholders have been provided with the right to exercise Dissent Rights.

In the course of its deliberations, the Special Committee and the Board also identified and considered a variety of risks (as described in greater detail under "*Risk Factors*") and potentially negative factors relating to the Arrangement, including, without limitation, the following:

- If the Arrangement is successfully completed, the Company will no longer exist as an independent publicly traded company and Shareholders will be unable to participate in the longer term potential benefits of the business of the Company.

- If the Arrangement Agreement is terminated and the Board decides to seek another transaction or business combination, there is no assurance that the Company will be able to find a party willing to pay greater or equivalent value compared to the Consideration available to Shareholders under the Arrangement or that the continued operation of the Company under its current business model will yield equivalent or greater value to Shareholders compared to that available under the Arrangement Agreement.

- The potential risk of diverting management attention and resources from the operation of the Company's business, including other strategic opportunities and operational matters, while working toward the completion of the Arrangement.

- The potential negative effect of the pendency of the Arrangement on the Company's business, including its relationships with customers, employees, funders, brokers, suppliers and partners.

- The possibility that the Required Regulatory Approvals may not be obtained in a timely manner, which could result in the Outside Date being extended, and the risk that Required Regulatory Approvals may never be obtained.

- The fact that the Company has incurred and will continue to incur significant transaction costs and expenses in connection with the Arrangement, regardless of whether the Arrangement is completed.

- The limitations contained in the Arrangement Agreement on the Company's ability to solicit alternative transactions from third parties, as well as the fact that if the Arrangement Agreement is terminated in certain circumstances, the Company may be required to pay the Termination Payment.

- The conditions to the Purchaser's obligation to complete the Arrangement and the rights of the Purchaser to terminate the Arrangement Agreement in certain circumstances.

- The restrictions imposed pursuant to the Arrangement Agreement on the conduct of the Company's business during the period between the execution of the Arrangement Agreement and the consummation of the Arrangement or the termination of the Arrangement Agreement.

- The risks to the Company if the Arrangement is not completed, including the costs to the Company in pursuit of the Arrangement, the diversion of management's attention away from conducting the Company's business in the ordinary course and the potential impact on the Company's current business relationships (including with current and prospective customers, employees, funders, brokers, suppliers and partners).

- The fact that under the Arrangement Agreement, certain of the Company's executive officers (including Duncan Hannay, who is also a member of the Board and the Special Committee, Adam Levy, and Alfonso Casciato) may receive benefits that differ from, or are in addition to, those received by Shareholders generally as described under the heading "*Interests of Certain Persons in the Arrangement*" below.

- Other risks associated with the Parties' ability to complete the Arrangement.

The Special Committee's and the Board's reasons for recommending the Arrangement include certain assumptions relating to forward-looking information, and such information and assumptions are subject to various risks. See "*Management Information Circular – Forward-Looking Statements*" and "*Risk Factors*".

The Board unanimously recommends a vote <u>FOR</u> the Arrangement Resolution.

Voting Agreements

On June 14, 2019, the Purchaser entered into Voting Agreements with each of the directors and certain executive officers of the Company (collectively holding, directly or indirectly, or exercising control or direction over, an aggregate of 16,733,078 Common Shares, representing approximately 14% of the issued and outstanding Common Shares). On July 10, 2019, the Purchaser entered into a Voting Agreement with ICM Limited (which exercises control or direction over an aggregate of 7,476,161 Common Shares, representing approximately 6% of the issued and outstanding Common Shares). The

Voting Agreements establish, among other things, the agreement of the Shareholders party thereto to vote their Common Shares in favour of the Arrangement. The Voting Agreements shall terminate in the event that the Arrangement Agreement is (a) terminated in accordance with its terms or (b) amended to reduce or adversely change the Consideration.

Fairness Opinion

In connection with the evaluation of the Arrangement, the Board received and considered the Fairness Opinion from the Financial Advisor.

The Company initially contacted the Financial Advisor regarding a potential advisory assignment in July 2018. The Financial Advisor was formally engaged by the Company pursuant to an agreement dated July 12, 2018, effective as of July 1, 2018 and amended as of March 28, 2019 (the "**Engagement Agreement**"). Under the terms of the Engagement Agreement, the Financial Advisor agreed to provide the Company and the Board with various advisory services in connection with the Arrangement including, among other things, the provision of the Fairness Opinion.

The Financial Advisor will receive a fee for rendering the Fairness Opinion. The Financial Advisor will also receive certain fees for their advisory services under the Engagement Agreement, a substantial portion of which is contingent upon the successful completion of the Arrangement. The Company has also agreed to reimburse the Financial Advisor for their reasonable out-of-pocket expenses and to indemnify the Financial Advisor against certain liabilities that might arise out of their engagement.

Neither the Financial Advisor, nor any of its affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario) or the rules made thereunder) of the Company, the Purchaser, RFA, or any of their respective associates or affiliates (collectively, the "**Interested Parties**").

The Financial Advisor has not been engaged to provide any financial advisory services nor has it participated in any financings involving the Interested Parties within the past two years, other than acting as financial advisor to the Company, the Special Committee and the Board of Directors pursuant to the Engagement Agreement.

At the meeting of the Board and Special Committee held to evaluate the Arrangement, the Financial Advisor rendered an oral opinion, confirmed by delivery of a written opinion dated June 14, 2019 to the effect that, as of that date and based on and subject to the scope of review, assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders.

The full text of the Fairness Opinion dated June 14, 2019, which sets forth assumptions made, procedures followed, information reviewed, matters considered, and limitations on the scope of review undertaken by the Financial Advisor is attached as Appendix E to this Information Circular. This summary is qualified in its entirety by reference to the full text of such Fairness Opinion. The Fairness Opinion is not a recommendation as to how any Shareholder should vote or act on any matter relating to the Arrangement or any other matter.

In evaluating the Arrangement, the Special Committee and the Board considered, among other things, the advice and financial analyses provided by the Financial Advisor referred to above as well as its Fairness Opinion. As described under the heading "*Reasons for the Recommendation*" above, the Fairness Opinion was only one of many factors considered by the Board in evaluating the Arrangement and should not be viewed as determinative of the views of the Board with respect to the Arrangement or the Consideration to be received by Shareholders pursuant to the Arrangement. In assessing the Fairness Opinion, the Special Committee and the Board considered and assessed the independence of the Financial Advisor,

taking into account that a portion of the fees payable to the Financial Advisor is contingent on completion of the Arrangement.

Scope of Review

In connection with rendering the Fairness Opinion, the Financial Advisor reviewed and relied upon, or carried out, among other things, the following:

- a draft of the Arrangement Agreement dated June 13, 2019;
- a draft of the letter agreement between the Company and the Purchaser, among others, regarding the commitments to be made in connection with the application for certain regulatory approvals dated June 13, 2019;
- a draft of the equity commitment letters dated June 13, 2019 and provided to the Purchaser by several investors for cash equity investments in the Purchaser to satisfy, among other things, the payment obligations of the Purchaser in connection with the Arrangement Agreement;
- a draft of the guarantee between the Company and RFA Capital Inc. ensuring the performance of all of the obligations of the Purchaser to the Company in connection with the Arrangement Agreement other than the payment obligations of the Purchaser dated June 12, 2019;
- certain publicly available information relating to the business, operations, financial condition and trading history of the Company and other selected public companies the Financial Advisor considered relevant;
- certain publicly available information relating to the financial condition of the investors providing equity commitments to the Purchaser to satisfy the obligations of the Purchaser in connection with the Arrangement;
- certain internal financial, operating, corporate and other information prepared or provided by or on behalf of the Company relating to the business, operations, regulatory environment and financial condition of the Company;
- internal management forecasts, projections, estimates and budgets prepared or provided by or on behalf of management of the Company;
- discussions with management of the Company relating to the Company's current business, plan, regulatory environment, financial condition and prospects;
- discussions with legal and regulatory counsel to the Company;
- public information with respect to selected precedent transactions the Financial Advisor considered relevant;
- various reports published by equity research analysts industry sources the Financial Advisor considered relevant;
- a letter of representation as to certain factual matters and the completeness and accuracy of certain information upon which the Fairness Opinion is based, addressed to the Financial Advisor and dated as of the date hereof, provided by senior officers of the Company; and
- such other information, investigations, analyses and discussions as the Financial Advisor considered necessary or appropriate in the circumstances.

The Financial Advisor has not, to the best of its knowledge, been denied access by the Company to any information under the Company's control requested by the Financial Advisor.

Assumptions and Limitations

In arriving at its opinion, the Financial Advisor relied upon and assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions, representations and other material obtained from public sources or provided to the Financial Advisor by or on behalf of the Company or otherwise obtained by the Financial Advisor in connection with their engagement (the "**Information**"). The Fairness Opinion is conditional upon such completeness, accuracy and fair presentation. The Financial Advisor was not requested to, and did not assume any obligation to, independently verify the completeness, accuracy or fair presentation of any such Information. The Financial Advisor assumed that forecasts, projections, estimates and budgets provided to them and used in their analyses were reasonably prepared on bases reflecting the best currently available assumptions, estimates and judgments of management of the Company, having regard to the Company's business, plans, financial condition and prospects.

In preparing the Fairness Opinion, the Financial Advisor assumed that the executed Arrangement Agreement did not differ in any material respect from the draft that they reviewed, and that the Arrangement will be consummated in accordance with the terms and conditions of the Arrangement Agreement without waiver of, or amendment to, any term or condition that is in any way material to their analyses.

The Fairness Opinion was rendered on the basis of securities markets, economic, financial and general business conditions prevailing as of the date thereof and the condition and prospects, financial and otherwise, of the Company as they are reflected in the Information and as they were represented the Financial Advisor in discussions with management of the Company and its representatives. In its analyses and in preparing the Fairness Opinion, the Financial Advisor made numerous judgments and assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of the Financial Advisor or that of any party involved in the Arrangement.

Approach to Fairness and Analysis

In considering the fairness from a financial point of view of the Consideration to be received by the Shareholders pursuant to the Arrangement, the Financial Advisor considered whether the value of the Consideration fell within a range of fair values for the Shares. To determine a range of fair values for the Shares, the Financial Advisor considered the following methodologies: (i) comparable company trading analysis; (ii) precedent transactions analysis; and (iii) discounted dividend model (DDM) analysis.

Comparable Company Trading Analysis

The Financial Advisor reviewed publicly available information for selected publicly listed entities they considered relevant and applied a range of price to book value of equity multiples considered appropriate in the circumstances, taking into account the relative expected growth and return-on-equity of the selected public companies as compared to the those of the Company, to the Company's book value of equity as of March 31, 2019 to obtain a range of gross equity values for the Company. Certain adjustments, including adjustments to account for the amount of issued and outstanding Common Shares, were then made to obtain a range of fair values for the Common Shares.

Precedent Transactions Analysis

The Financial Advisor reviewed publicly available information for selected transactions involving entities they considered relevant and derived a range of price to book value of equity multiples for transactions considered appropriate in the circumstances, taking into account the relative expected growth and return-

on-equity of the entities involved in the selected transactions as compared to those of the Company. The Financial Advisor applied this range of multiples to the Company's book value of equity as of March 31, 2019 to obtain a range of gross equity values for the Company. Certain adjustments, including adjustments to account for the amount of issued and outstanding Shares, were then made to obtain a range of fair values for the Common Shares.

Discounted Dividend Model (DDM) Analysis

The dividend discount model methodology is a calculation of the present value of the Company's projected future cash dividends, assuming a minimum required level of certain capital ratios, to determine a range of values for the Common Shares. It involved estimating annual net cash dividends for each year of the projection period and discounting them at discount rates the Financial Advisor determined reasonable. A terminal value was also calculated by estimating the Company's book value of equity in the terminal year and applying a range of multiples with the resulting terminal value being discounted at the same discount rates used for the annual net cash flows in the projection period. As part of the discounted dividend model methodology, the Financial Advisor performed sensitivity analyses on the key factors considered to be primary drivers of the discounted dividend model methodology.

The Financial Advisor concluded that the Consideration to be received by the Shareholders pursuant to the Arrangement is consistent with the range of fair values for the Common Shares generated by the foregoing analyses.

The Financial Advisor was of the opinion that, as of June 14, 2019 and based on and subject to the scope of review, assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders.

Arrangement Steps

The following description is qualified in its entirety by reference to the full text of the Plan of Arrangement, attached as Appendix D to this Information Circular.

Commencing at the Effective Time, each of the following events shall occur and shall be deemed to occur sequentially in the order set out below without any further act or formality, in each case, effective as at one-minute intervals starting at the Effective Time:

- each Common Share held by a Dissenting Shareholder shall be transferred and deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Encumbrances, to the Purchaser in consideration for a debt claim against the Purchaser in an amount determined and payable in accordance with Article 4 of the Plan of Arrangement, and such Dissenting Shareholder shall cease to be the holder of such Common Share and the name of such Dissenting Shareholder will be removed from the register of holders of Common Shares, and the Purchaser shall be recorded as the registered holder of Common Shares so transferred and shall be deemed to be the legal and beneficial owner of such Common Shares free and clear of any Encumbrances;

- all of the Options, DSUs and the RSUs granted and outstanding immediately prior to the Effective Time (whether vested or unvested), without any further action on behalf of the holder thereof and without any payment except as provided in the Plan of Arrangement and notwithstanding the terms of the applicable Option Plan, RSU Plan or DSU Plan shall be disposed of and surrendered by the holders thereof to the Company without any act or formality on its or their part in exchange for a cash payment equal to:

  - with respect to all such outstanding Options, the amount (if any) by which (A) the product of the number of Common Shares underlying such Options, held by such holder multiplied by the Consideration exceeds (B) the aggregate exercise price payable under such Options, by the holders to acquire the Common Shares underlying such Options and, for greater certainty, such payment shall be net of applicable withholdings;

  - with respect to each outstanding DSU or RSU, the amount of the Consideration per DSU or RSU, and, for greater certainty, such payment shall be net of applicable withholdings;

- all Options, RSUs and DSUs issued and outstanding immediately prior to the Effective Time shall thereafter immediately be cancelled and the holder thereof shall thereafter have only the right to receive the Consideration to which such holder is entitled pursuant to Section 3.1(b) of the Plan of Arrangement. The Option Plan, DSU Plan and the RSU Plan shall be terminated and none of the Company, the Purchaser or any of their respective affiliates shall have any liabilities or obligations with respect thereto;

- each Common Share outstanding immediately prior to the Effective Time, other than Common Shares held by a Dissenting Shareholder and Common Shares held by the Purchaser or any of its affiliates (which shall not be exchanged under the Arrangement and shall remain outstanding as a Common Share held by the Purchaser or its affiliate, as the case may be), shall be transferred and deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Encumbrances, to the Purchaser in exchange for a payment in cash equal to the Consideration, less any amounts withheld and remitted in accordance with Section 3.6 of the Plan of Arrangement, and the name of such holder will be removed from the register of holders of Common Shares and the Purchaser shall be recorded as the registered holder of Common Shares so transferred and shall be deemed to be the legal and beneficial owner thereof, free and clear of any Encumbrances, and such payment shall be made upon the presentation and surrender by or on behalf of the holder to the Depositary (acting on behalf of the Purchaser) of the certificate formerly representing Common Shares and a Letter of Transmittal as more fully described in Section 3.2 of the Plan of Arrangement; and

- the Company shall pay or cause to be paid the Transaction Expenses in an aggregate amount not to exceed the Effective Date Transaction Expenses.

RFA Guarantee

RFA has been appointed the manager of the Purchaser and pursuant to the RFA Guarantee has agreed to ensure that all obligations of the Purchaser to the Company under or in connection with the Arrangement Agreement (other than the funding of the Consideration) are performed by the Purchaser in full.

Pursuant the terms of the RFA Guarantee, RFA's liability is limited and shall at no time exceed the aggregate Consideration required to be paid under the Arrangement Agreement. The RFA Guarantee shall be binding upon RFA and its successors and assigns. The liabilities of RFA under the RFA Guarantee are absolute and unconditional.

Equity Commitment Letters

Pursuant to the Equity Commitment Letters, certain investors have committed to subscribe for equity in the capital of the Purchaser so as to fund, among other things, the Consideration payable pursuant to the Arrangement and additional capital committed by the Purchaser to the Bank upon and following the Effective Date. The commitment to fund the Consideration is conditional upon all of the conditions set forth in the Arrangement Agreement having been satisfied or waived in accordance with the terms

thereof. If such funding conditions are satisfied and the Purchaser does not draw down funds from the investors as required to fund the aggregate Consideration, the Company has the right pursuant to the Equity Commitment Letters to issue drawdown notices directly to the investors for payment of the Consideration. In addition, if RFA defaults in its obligations under the RFA Guarantee, the Company has the right pursuant to the Equity Commitment Letters to require the investors to pay the actual amount of loss suffered by the Company as a result of the occurrence of RFA's default under the RFA Guarantee, subject to certain limitations.

Effective Date

The Arrangement will become effective on the date shown on the Certificate of Arrangement giving effect to the Arrangement in accordance with the OBCA.

Source of Funds

Pursuant to the Arrangement Agreement and subject to the conditions therein, following receipt of the Final Order and prior to the Effective Date, the Purchaser is required to deposit with the Depositary sufficient funds to pay (i) the aggregate Consideration for the Common Shares required by the Arrangement Agreement, (ii) the aggregate amount payable, on behalf of the Company, in respect of all of the Options, RSUs and DSUs, and (iii) an amount equal to the Effective Date Transaction Expenses.

Pursuant to Equity Commitment Letters delivered in connection with the Arrangement Agreement, certain investors have agreed to subscribe for equity in the capital of the Purchaser so as to fund, among other things, the Consideration payable pursuant to the Arrangement and additional capital committed by the Purchaser to the Bank upon and following the Effective Date. See "*Equity Commitment Letters*" for more information.

Interests of Certain Persons in the Arrangement

In considering the recommendation of the Special Committee and the Board, Shareholders should be aware that certain executive officers of the Company (including Duncan Hannay, who is also a member of the Board and the Special Committee, Adam Levy and Alfonso Casciato) may have interests in the Arrangement or may receive benefits that differ from, or are in addition to, those received by Shareholders generally. See "*Certain Legal and Regulatory Matters - Canadian Securities Law Matters*." Other than the interests and benefits described below, as of the date hereof, none of the directors or officers of the Company or, to the knowledge of the directors and executive officers of the Company, any of their respective associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise in any matter to be acted upon in connection with the Arrangement or that would materially affect the Arrangement. Members of the Special Committee and the Board were aware of and considered these interests, among other matters, in evaluating and negotiating the Arrangement Agreement, and in recommending to Shareholders that they vote **FOR** the Arrangement Resolution.

All benefits received, or to be received, by directors, officers or employees of the Company as a result of the Arrangement are, and will be, solely in connection with their services as directors, officers or employees of the Company. No benefit has been, or will be, conferred for the purpose of increasing the value of consideration payable to any such Person for the Common Shares held by such Persons and no consideration is, or will be, conditional on the Person supporting the Arrangement.

Common Shares and the Intentions of Directors and Executive Officers

As of the Record Date, the directors and executive officers of the Company beneficially owned, directly or indirectly, or exercised control or direction over, in the aggregate 16,983,078 Common Shares, which represented approximately 14% of the issued and outstanding Common Shares on an undiluted basis.

All of the Common Shares held by such directors and executive officers of the Company will be treated in the same fashion under the Arrangement as Common Shares held by all other Shareholders, other than the Dissenting Shareholders. Each director and executive officer of the Company intends to vote all of such individual's Common Shares **FOR** the Arrangement Resolution and each has entered into a Voting Agreement with the Purchaser.

See "*Certain Legal and Regulatory Matters – Canadian Securities Law Matters*" for information concerning certain benefits payable to certain executive officers of the Company upon completion of the Arrangement.

DSUs

As of July 11, 2019, there were 146,589.7 DSUs outstanding. If the Arrangement is consummated, each DSU outstanding immediately prior to the Effective Time shall be transferred to the Company in exchange for a cash payment from the Company equal to the Consideration, less applicable withholdings, and each such DSU shall immediately be cancelled. Ronald Appleby, a director of the Company, is the sole holder of the Company's DSUs. Ronald Appleby would therefore be entitled to receive cash compensation of approximately $99,681.00 in exchange for his DSUs.

RSUs

As of July 11, 2019, there were 2,848,654 RSUs outstanding. The vesting of all such RSUs has been accelerated, contingent upon the completion of the Arrangement. If the Arrangement is consummated, each RSU outstanding immediately prior to the Effective Time shall be transferred to the Company in exchange for a cash payment equal to the Consideration, less applicable withholdings, and each RSU shall be immediately cancelled. Holders of RSUs would be entitled to collectively receive cash compensation of approximately $1,937,084.72 in the aggregate. All of the outstanding RSUs are held by employees of the Company and its subsidiaries.

Options

As of July 11, 2019, there were 6,930,629 Options outstanding. The vesting of all unvested Options has been accelerated, contingent upon the completion of the Arrangement. If the Arrangement is consummated, each Option outstanding immediately prior to the Effective Time shall be transferred to the Company in exchange for a cash payment equal to the amount (if any) by which the product of the number of Common Shares underlying such Options multiplied by the Consideration exceeds the aggregate price payable under such Options by the holders in order to acquire the Common Shares underlying such Options, less applicable withholdings. Each Option shall thereafter be immediately cancelled. Pursuant to the calculation set out above, holders of Options will not be entitled to receive any cash compensation upon completion of the Arrangement as the Consideration per Common Share is lower than the exercise price of each of the outstanding Options.

Indemnification

Pursuant to the Arrangement Agreement, the Purchaser shall cause the Company (or its successor) to honour all rights to indemnification now existing in favour of each relevant individual and acknowledged

that rights to indemnification contained in such agreements shall not be amended or rescinded in a manner adverse to the applicable Indemnified Persons, shall survive the completion of the Arrangement and shall continue in full force and effect in accordance with their terms.

Effects on the Company if the Arrangement is Not Completed

If the Arrangement Resolution is not approved by Shareholders or if the Arrangement is not completed for any other reason, Shareholders will not receive any payment for any of their Common Shares in connection with the Arrangement, the Company will remain a reporting issuer and the Common Shares will continue to be listed on the TSX. See "*Risk Factors – Risk Factors Related to the Arrangement-Impact on the Company of a failure to complete the Arrangement*".

THE ARRANGEMENT AGREEMENT

The following description of certain provisions of the Arrangement Agreement is a summary only, is not comprehensive and is qualified in its entirety by reference to the full text of the Arrangement Agreement, which is attached as Appendix C to this Information Circular.

Conditions to the Arrangement Becoming Effective

Mutual Conditions Precedent

The Parties are not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions may only be waived by the mutual written consent of each of the Parties:

- *Interim Order and Final Order*. The Interim Order and the Final Order shall each have been obtained on terms consistent with the Arrangement Agreement and shall not have been set aside or modified in a manner unacceptable to either the Company or the Purchaser, acting reasonably, on appeal or otherwise.

- *Arrangement Resolution.* The Arrangement Resolution shall have received the requisite Shareholder approval in accordance with the Interim Order.

- *No Restraint.* No Governmental Entity shall have enacted, issued, promulgated, enforced or made any Law, order, writ, judgment, injunction, decree, determination, award or similar order (whether preliminary or final) which is then in effect and has the effect of preventing, prohibiting, restraining or enjoining the consummation of the Arrangement.

- *Bank Act Approvals.* The Bank Act Approvals shall have been obtained on terms and conditions contemplated by the Regulatory Commitment Letter, are in force and have not been modified in any material respect.

- *Other Required Regulatory Approvals.* The Other Regulatory Approvals shall have been obtained, are in force and have not been modified in any material respect.

- *Articles of Arrangement.* The Articles of Arrangement to be filed with the Director under the OBCA in accordance with the Arrangement Agreement are in a form and content satisfactory to the Company and the Purchaser, each acting reasonably.

- *Termination*. The Arrangement Agreement shall not have been terminated in accordance with its terms.

Additional Conditions Precedent to the Obligations of the Purchaser

The Purchaser is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the benefit of the Purchaser and may be waived only by the Purchaser in its sole discretion:

- *Performance of Covenants.* The Company shall have duly performed in all material respects each of the covenants of the Company contained in the Arrangement Agreement to be performed by the Company on or before the Effective Time, and the Purchaser shall have received a certificate addressed to the Purchaser, dated the Effective Date and executed by two of the Company's senior executive officers (on the Company's behalf and without personal liability), confirming the same as at the Effective Time.

- *Representations and Warranties.* The (i) representations and warranties of the Company in the Arrangement Agreement relating to organization and qualification of the Company, authorization and execution of the Arrangement Agreement and capitalization and listing of the Company and its securities are true and correct in all respects (other than *de minimis* inaccuracies) as of the date of the Arrangement Agreement; and (ii) all of the other representations and warranties of the Company in the Arrangement Agreement shall be true and correct in all respects (disregarding for purposes of this condition any materiality or Material Adverse Effect qualification contained in such representation or warranty) as of the Effective Time as if made at and as of the Effective Time (except, in each case, for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except in the case of this clause (ii) where the failure of such representations and warranties to be so true and correct in all respects, individually or in the aggregate, has not had or would not reasonably be expected to have a Material Adverse Effect in respect of the Company; and the Purchaser shall have received a certificate addressed to the Purchaser, dated the Effective Date and executed by two of its senior executive officers (on the Company's behalf and without personal liability), confirming the same.

- *No Actions.* There is no action or proceeding pending by any person (other than Purchaser) that is reasonably likely to:

  (a) cease trade, enjoin or prohibit the Purchaser's ability to acquire, hold, or exercise full rights of ownership over, any Common Shares, including the right to vote the Common Shares;

  (b) except as a consequence of the Required Regulatory Approvals, prohibit the ownership or operation by the Purchaser of any material portion of the business or assets of the Company or the Company's Subsidiaries (taken as a whole) or compel the Purchaser to dispose of or hold separate any material portion of the business or assets of the Company or the Company's Subsidiaries (taken as a whole) as a result of the Arrangement; or

  (c) prevent the consummation of the Arrangement, or if the Arrangement is consummated, have a Material Adverse Effect.

- *Dissent.* Dissent Rights shall not have been exercised in respect of more than 7.5% of the issued and outstanding Common Shares.

- *Fairness Opinion*. The Board shall have received the Fairness Opinion from the Financial Advisor, and it shall not have been withdrawn or materially modified prior to the Meeting.

- *No Write-down, Write-off or Impairment.* Except as disclosed in the Disclosure Letter, since December 31, 2018, no write-down, write-off or impairment shall have been made by the Company of the consolidated assets of the Company or of any of the Company's Subsidiaries, nor authorized by the Board, nor shall any realized losses have been incurred by the Company or any of the Company's Subsidiaries, in an aggregate amount greater than 2% of the Company's consolidated net assets as at December 31, 2018.

- *Material Adverse Effect.* Since the date of the Arrangement Agreement there shall not have occurred a Material Adverse Effect in respect of the Company.

Additional Conditions Precedent to the Obligations of the Company

The Company is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of the Company and may be waived only by the Company in its sole discretion:

- *Performance of Covenants.* The Purchaser shall have duly performed in all material respects each of the covenants contained in the Arrangement Agreement to be performed by the Purchaser on or before the Effective Time, and the Company shall have received a certificate addressed to the Company, dated the Effective Date and executed by two of the Purchaser's senior executive officers (on the Purchaser's behalf and without personal liability), confirming the same as of the Effective Time.

- *Representations and Warranties.* The representations and warranties of the Purchaser set forth in the Arrangement Agreement shall be true and correct in all respects as of the Effective Time, as if made at and as of the Effective Time, except where the failure or failures of all such representations and warranties to be so true and correct in all respects would not reasonably be expected individually or in the aggregate to prevent or materially impair or materially delay the Purchaser's ability to complete the Arrangement, and the Company shall have received a certificate executed by two of the Purchaser's senior executive officers (on the Purchaser's behalf and without personal liability), confirming the same.

- *Payment of Consideration.* The Purchaser shall have deposited, or caused to be deposited, with the Depositary in escrow in accordance with the Arrangement Agreement, sufficient funds to satisfy the Purchaser's applicable obligations to pay the Consideration for all Common Shares, and the funds required to pay the Consideration for all the Options, RSUs and DSUs to be cancelled pursuant to the Arrangement Agreement and the Depositary will have confirmed to the Company receipt of such funds.

Representations and Warranties

The Arrangement Agreement contains customary representations and warranties made by each of the Company and the Purchaser. The assertions embodied in those representations and warranties are solely for the purposes of the Arrangement Agreement. Certain representations and warranties may not be accurate or complete as of any specified date because they are qualified by certain disclosure provided by the Company to the Purchaser or are subject to a standard of materiality or are qualified by a reference to a Material Adverse Effect. Therefore, Shareholders should not rely on the representations and warranties as statements of factual information.

The Arrangement Agreement contains customary representations and warranties of the Company relating to organization and qualification, corporate authorization, execution and binding obligation, governmental authorization, non-contravention, receipt of the Fairness Opinion, capitalization, subsidiaries, securities

law matters, financial statements, disclosure controls and internal control over financing reporting, books and records, minute books, no material undisclosed liabilities, absence of certain changes or events, related party transactions, compliance with Laws, authorizations, third party consents, assets, material contracts, personal property, real property, intellectual property, corrupt practices legislation, litigation, employment matters, collective agreements, employee plans, insurance, taxes, mortgage records and documents, mortgage loans, mortgage insurance, privacy and data security, IT systems, no collateral benefits, non-arm's length transaction, fees and commissions, restrictions on business activities, opinion of financial advisors, brokers, and Board approval.

In addition, the Arrangement Agreement also contains customary representations and warranties of the Purchaser, including with respect to organization and qualification, corporate authorization, execution and binding obligation, governmental authorization, non-contravention, litigation, funds available, the Investment Canada Act, the Excise Tax Act and residence.

Covenants

The Arrangement Agreement also contains customary negative and affirmative covenants of the Company and the Purchaser.

Conduct of Business of the Company

In the Arrangement Agreement, the Company has agreed to certain customary negative and affirmative covenants relating to the operation of its business (including the business of its Subsidiaries) between the date of the Arrangement Agreement and the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, including that the business of the Company and its Subsidiaries shall be conducted in the ordinary course and in compliance in all material respects with applicable Laws (as defined in the Arrangement Agreement). Furthermore, the Company has agreed to use commercially reasonable efforts to maintain and preserve intact its and its Subsidiaries' business organization, goodwill and business relationships with all suppliers, customers, partners and other Persons with which the Company or any of its Subsidiaries have business relations. The Company has also agreed to maintain and preserve its and its Subsidiaries' respective properties and assets in good standing. Shareholders should refer to the Arrangement Agreement for details regarding the additional negative and affirmative covenants given by the Company in relation to the conduct of its business prior to the Effective Time.

Covenants of the Company Relating to the Arrangement

The Arrangement Agreement provides that, subject to the terms therein, the Company shall, and shall cause its Subsidiaries to, perform all obligations required to be performed by the Company or any of its Subsidiaries under the Arrangement Agreement, cooperate with the Purchaser in connection therewith, and do all such other acts and things as may be necessary or reasonably desirable to consummate and make effective the Arrangement and, without limiting the generality of the foregoing, the Company shall and, where applicable, shall cause its Subsidiaries to:

- assist the Purchaser in obtaining all Required Regulatory Approvals. Without limiting the generality of the foregoing, the Company shall file, as soon as practicable and in any event within 10 Business Days following the execution of the Arrangement Agreement, a notification under Part IX of the Competition Act with the Commissioner of Competition (the "**Commissioner**"), unless the Purchaser and the Company mutually agree that such a filing is not necessary, and the Company shall promptly provide such information and assistance as may be reasonably requested by the Purchaser to assist to obtain all Other Regulatory Approvals, and shall use its reasonable best efforts to satisfy, as soon as reasonably practicable, any requests for information and

documentation received from the Commissioner or any Governmental Entity in connection with the Required Regulatory Approvals. The Company will coordinate and co-operate in exchanging information and supplying assistance that is reasonably requested by the Purchaser in connection with obtaining the advance ruling certificate, including providing the Purchaser with copies in advance and reasonable opportunity to comment on all notices, submissions, filings and information supplied to or filed with the Commissioner or any Governmental Entity to obtain the Required Regulatory Approvals (except for notices and information which the Company, acting reasonably, considers privileged, highly confidential or competitively sensitive, which then shall be provided on an outside counsel only basis to external counsel for the Purchaser) (other than highly confidential materials related to the evaluation of strategic options (such as certain board minutes and presentations)) and all notices and correspondence received from the Commissioner or any Governmental Entity. The Company and its counsel shall not attend any meetings, whether in person or by telephone, where substantive issues are discussed with the Commissioner or any Governmental Entity in connection with the transactions contemplated by the Arrangement Agreement, unless it provides the Purchaser with a reasonable opportunity to attend such meetings;

- use its commercially reasonable efforts to obtain as soon as reasonably practicable following execution of the Arrangement Agreement all Third Party Consents;

- inform the Purchaser of, and allow the Purchaser to participate in, any discussions and negotiations with respect to any extensions or amendments of certain Contracts;

- defend all lawsuits or other legal, regulatory or other proceedings against the Company challenging or affecting the Arrangement Agreement or the consummation of the Arrangement;

- not take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of the Company to consummate the Arrangement;

- provide the Purchaser with prompt written notice of any change, effect, event or occurrence which, when considered either individually or in the aggregate, has resulted in or would reasonably be expected to result in a Material Adverse Effect in respect of the Company;

- not initiate any material discussions, negotiations or filings with any Governmental Entity with respect to the Arrangement without the prior consent of the Purchaser, such consent not to be unreasonably withheld, and provide the Purchaser with prompt notice (to the extent permitted by Law) of any material governmental or third party complaints, investigations or hearings or communications (whether oral or written) relating to the Arrangement indicating that the same may be contemplated, including a copy of any such written communication;

- use its commercially reasonable efforts to obtain the resignations from the members of the Board of Directors as of the time immediately following the Effective Time;

- promptly advise the Purchaser of the number of Common Shares for which the Company receives notices of dissent and provide the Purchaser with copies of such notices;

- promptly advise the Purchaser of any notice or other material communication from any person alleging (i) that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such person is required in connection with the Arrangement Agreement or the Arrangement, or (ii) such person, if a party to a Material Contract, is

terminating or otherwise materially adversely modifying its relationship with the Company or any of its Subsidiaries as a result of the Arrangement or the Arrangement Agreement;

- use commercially reasonable efforts to, upon reasonable consultation with the Purchaser, oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement or the Arrangement Agreement;

- provide the Purchaser with any material filings, actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, relating to or involving the Company or any of its Subsidiaries or that relate to the Arrangement Agreement or the Arrangement; and

- satisfy or, to the extent not within its control, use commercially reasonable efforts to satisfy, all conditions precedent in the Arrangement Agreement, and take all steps set forth in the Interim Order and Final Order applicable to it and comply promptly with all requirements imposed by Law on it or its Subsidiaries with respect to the Arrangement Agreement or the Arrangement.

Covenants of the Purchaser Relating to the Arrangement

Subject to the terms of the Arrangement Agreement, the Purchaser shall perform all obligations required to be performed by it under the Arrangement Agreement, cooperate with the Company in connection therewith, and do all such other acts and things as may be necessary or desirable to consummate and make effective, as soon as reasonably practicable, the Arrangement and, without limiting the generality of the foregoing, the Purchaser shall:

- use commercially reasonable efforts to obtain all of the Other Regulatory Approvals as expeditiously as possible. Without limiting the generality of the foregoing, the Purchaser shall file as soon as practicable and in any event within 10 Business Days following the execution of the Arrangement Agreement, (i) an application for CMHC Approval, (ii) a request to the Commissioner that he issue to the Purchaser an advance ruling certificate or, in the alternative, a no-action letter, and (iii) a notification under Part IX of the Competition Act with the Commissioner, unless the Purchaser and the Company mutually agree that such a filing is not necessary. The Purchaser shall promptly notify the Company of any developments related to all filings with CMHC and the Commissioner or any other Governmental Entity. The Purchaser shall use its reasonable best efforts to satisfy, as soon as reasonably possible, any requests for information and documentation received from CMHC, the Commissioner or any Governmental Entity in connection with the Other Regulatory Approvals. The Purchaser will coordinate and co-operate in exchanging information and supplying assistance that is reasonably requested by the Company in connection with obtaining the Required Regulatory Approvals, including providing the Company with copies in advance and reasonable opportunity to comment on all notices, submissions, filings, and information supplied to or filed with CMHC, the Commissioner or any Governmental Entity to obtain the Other Regulatory Approvals (except for notices and information which the Purchaser, acting reasonably, considers highly confidential and competitively sensitive, which then shall be provided on an outside counsel only basis to external counsel for the Company), and all notices and correspondence received from CMHC, the Commissioner or any Governmental Entity. The Purchaser and its counsel shall not attend any meetings in person or by telephone where substantive issues are discussed with CMHC, the Commissioner or any Governmental Entity in connection with the transactions contemplated by the Arrangement Agreement unless it provides the Company with a reasonable opportunity to attend such meetings;

- notwithstanding anything else contained in the Arrangement Agreement, (i) provided that such action is commercially reasonable, enter into any settlement, consent decree, consent agreement, consent order, stipulation or agreement with the Commissioner or any other Government Entity in order to obtain the Other Regulatory Approvals as required pursuant to the Arrangement Agreement and to prevent any legal impediment to the completion of the transactions contemplated by the Arrangement Agreement; or (ii) provided that such action is commercially reasonable, divest or otherwise hold separate (including by establishing a trust or otherwise), or take any other action (or otherwise agree to do any of the foregoing) with respect to the Purchaser or any of its Subsidiaries or affiliates or any of their respective businesses, assets or properties; provided that any actions taken by the Purchaser under (i) and (ii) individually or collectively would not have a Material Adverse Effect on the Company;

- be responsible for all filing fees required in connection with obtaining the Required Regulatory Approvals;

- use commercially reasonable efforts to defend all lawsuits or other legal, regulatory or other proceedings against Purchaser challenging or affecting the Arrangement Agreement or the consummation of the Arrangement;

- provide such assistance as may reasonably be required by the Company for the purposes of completing the Meeting;

- not take any action, or provided that such action is commercially reasonable, fail to take any action that is intended to or would reasonably be expected to individually or in the aggregate, prevent, materially delay or materially impede the ability of the Purchaser to consummate the Arrangement;

- in addition to its obligations related to obtaining the Bank Act Approvals, not initiate any material discussions, negotiations or filings with any Governmental Entity with respect to the Arrangement, the Company or the Company's Subsidiaries without the prior consent of the Company, such consent not to be unreasonably withheld, and further agrees to provide the Company with prompt notice (to the extent permitted by Law) of any material governmental or third party complaints, investigations or hearings or communications (whether oral or written) indicating that the same may be contemplated, including a copy of any written communication;

- take all necessary action to ensure that it has sufficient funds to carry out its obligations under the Arrangement Agreement and the Plan of Arrangement and to pay related fees and expenses and it shall, on or before the Effective Date, provide the Depositary (i) with sufficient funds to pay in full the Consideration for all Common Shares and (ii) on behalf of the Company, with sufficient funds to pay the aggregate amount payable for all of the Options, RSUs and DSUs to be cancelled pursuant to the Arrangement in accordance with the Arrangement Agreement; and

- use commercially reasonable efforts to satisfy all conditions precedent set out in the Arrangement Agreement.

Covenants Regarding the Bank Act Approvals

The Arrangement Agreement provides that, in connection with obtaining the Bank Act Approvals and in addition to the covenants contained in the Regulatory Commitment Letter, the obligations of the Company and the Purchaser are as follows:

- the Purchaser shall use commercially reasonable efforts to obtain the Bank Act Approvals as expeditiously as possible. Without limiting the generality of the foregoing, the Purchaser shall prepare and file as soon as practicable and in any event within ten Business Days following the execution of the Arrangement Agreement its application (the "**Bank Act Application**") to obtain the Bank Act Approvals and request that the Bank Act Application be processed on an expedited basis, such application to be based on the Purchaser's understanding of the information required by the Office of the Superintendent of Financial Institutions ("**OSFI**") and the Regulatory Commitment Letter. The Purchaser shall notify the Company immediately upon making such filing;

- the Company consents to the Purchaser and its Representatives initiating and conducting discussions, meetings and communications with OSFI and the Minister of Finance ("**Regulatory Communications**") in connection with the Arrangement and the Bank Act Approvals, provided that unless the Company specifically agrees otherwise in writing (for each instance of Regulatory Communications) (i) neither the Purchaser nor its Representatives will initiate any Regulatory Communications without first consulting with the Company and its regulatory counsel and offering the Company or its regulatory counsel an opportunity to participate in such Regulatory Communications, (ii) the Purchaser and its Representatives will copy the Company and its regulatory counsel on all written communications to OSFI and the Minister of Finance and promptly forward to the Company and its regulatory counsel any written communications the Purchaser or its Representatives receive from OSFI or the Minister of Finance, and (iii) if the Purchaser or its Representatives receive any unsolicited inbound telephone calls from OSFI or the Minister of Finance, the Purchaser shall make a reasonable effort to include the Company or its regulatory counsel in such telephone call, and if that is not practicable, shall promptly provide the Company with a detailed summary of what was discussed in any telephone call in which the Company or its regulatory counsel did not participate. For the purposes of this obligation, the Company agrees that it shall be deemed not to be practicable to include the Company or its regulatory counsel in short communications that deal with a factual clarification or matter or an issue that is not especially significant in the context of the overall regulatory aspects of the Arrangement. To the extent any Regulatory Communications (written or oral) include information that the Purchaser, acting reasonably, considers highly confidential and competitively sensitive, such information shall be provided to the Company's external counsel on an outside counsel only basis;

- the Company shall: (i) furnish to the Purchaser and its counsel such information, documents, and assistance as the Purchaser or its counsel, as the case may be, may reasonably request in connection with the Bank Act Approvals being sought by the Purchaser under the Arrangement Agreement; and (ii) furnish to OSFI or the Minister of Finance any additional information reasonably required or requested by OSFI or the Minister of Finance in connection with any Bank Act Approval being sought by the Purchaser under the Arrangement Agreement;

- the Purchaser shall enter into any commercially reasonable undertaking, commitment or agreement (including, for greater certainty, acknowledging OSFI's support principle letter in its standard form and accepting any commercially reasonable term or condition which might be imposed by OSFI or the Minister of Finance in granting the Bank Act Approvals) with OSFI or the Minister of Finance in order to obtain the Bank Act Approvals as required under the Arrangement Agreement and to prevent any legal impediment to the completion of the transactions contemplated by the Arrangement Agreement. For the purposes of the Bank Act Approvals, "commercially reasonable" means commercially reasonable in light of the business plan filed in connection with Purchaser's application for the Bank Act Approvals as contemplated by the Regulatory Commitment Letter; and

- the Purchaser shall keep the Company apprised as to the Bank Act Application process generally and promptly advise the Company of, and consult with the Company in respect of, any developments in such process which would reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement. In the event that the Bank Act Application is not approved by OSFI or the Minister of Finance, the Purchaser shall provide evidence satisfactory to the Company, acting reasonably, of such non-approval.

Regulatory Commitment Letter

The Regulatory Commitment Letter provides details of the commitments that the Purchaser and RFA have agreed to make in connection with the application for the Bank Act Approvals, including with respect to the proposed business plan for the Bank following closing, certain undertakings to be provided in connection with the Bank Act Approvals and capital commitments to be made by the Purchaser to the Bank. RFA has committed to cause the equity capital of the Bank to increase by a minimum of $50 million immediately upon the Effective Date, and has agreed to fund approximately $8 million of the Transaction Expenses of the Company and the Bank incurred in connection with the Arrangement. In addition, RFA has committed to cause the Purchaser to provide an additional $25 million in readily available stand-by capital to the Bank. Subject to the Purchaser's discretion and the achievement of certain performance targets, it is RFA's intention to also cause the Purchaser to inject up to an additional $100 million of further equity capital into the Bank over the next five years to support balance sheet growth.

Covenants Regarding the Preparation of Filings

The Company and the Purchaser have each agreed to co-operate and use commercially reasonable efforts to take, or cause to be taken, all actions, including the preparation of any applications for Required Regulatory Approvals and other orders, registrations, consents, filings, rulings, exemptions, no-action letters, circulars and approvals required in connection with the Arrangement Agreement and the Arrangement and the preparation of any required documents, in each case as necessary to discharge their respective obligations under the Arrangement Agreement and to complete the Arrangement including their obligations under applicable Laws.

Non-Solicitation

The Arrangement Agreement provides that, except as otherwise provided therein, the Company and its Subsidiaries shall not, directly or indirectly, through any officer, director, employee, representative (including any financial, legal or other advisor) or agent of the Company or of any of its Subsidiaries (collectively, "**Representatives**"):

- solicit, assist, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to or disclosure of, any confidential information, properties, books and records of the Company or any of its Subsidiaries) any inquiries, proposals or offers that constitute or that could reasonably be expected to constitute, or lead to, an Acquisition Proposal;

- enter into or otherwise engage in any discussions or negotiations with any person regarding, or otherwise co-operate in any way with, or assist or participate in, knowingly encourage or otherwise knowingly facilitate, any effort or attempt by any other person to make or complete any Acquisition Proposal, provided that, for greater certainty, the Company may respond to any person making an unsolicited Acquisition Proposal that such Acquisition Proposal does not constitute a Superior Proposal when the Board has so determined;

- make or propose publically a Change in Recommendation;

- fail to use commercially reasonable efforts to enforce any confidentiality agreement and/or standstill agreement or provision it has with any person other than the Purchaser, or waive, relieve any person of or amend any such agreement and/or provision in any way, provided that, for the avoidance of doubt, any automatic release or partial release from any standstill agreement or provision of any such agreement in accordance with its terms (including any provision permitting the submission of a confidential proposal to the Board) shall not constitute a breach of the Arrangement Agreement; or

- enter into, or publicly propose to enter into, any agreement, understanding or arrangement in respect of an Acquisition Proposal (other than a confidentiality or standstill agreement permitted pursuant to the Arrangement Agreement).

Pursuant to the Arrangement Agreement, the Company was required to, and to cause its Subsidiaries and its and their Representatives to, immediately cease and terminate any solicitation, discussion or negotiation or other activities commenced prior to the date of the Arrangement Agreement with any Person (other than the Purchaser and its Representatives) with respect to any inquiries, proposals or offers that constitute, or could reasonably be expected to constitute or lead to, an Acquisition Proposal, whether or not initiated by the Company or any Subsidiary or any of its or their Representatives, and in connection therewith, the Company was required to immediately discontinue access to any data rooms, virtual or otherwise. Within two Business Days from the date of the Arrangement Agreement, the Company was required to, to the extent that it was permitted under the applicable agreement to do so, request the return or destruction of all information provided to any third parties who entered into a confidentiality agreement with the Company relating to any potential Acquisition Proposal.

Acquisition Proposals

The Arrangement Agreement provides that the Company shall promptly (and in any event within 24 hours following receipt of any proposal, inquiry or offer) notify the Purchaser, at first orally and then in writing, of any proposal, inquiry or offer that is reasonably expected to lead to or that constitutes an Acquisition Proposal, and/or any request for non-public information with respect to any Acquisition Proposal relating to the Company and its Subsidiaries, in each case, of which the Company's directors, officers or other executives are or become aware, or any material amendments to the foregoing. Such notice shall include a description of the material terms and conditions of any proposal, inquiry or offer to the extent known (including, for the avoidance of doubt, the identities of the person making such proposal, inquiry or offer) and shall include copies of any such proposal, inquiry or offer or any amendment to any of the foregoing (if in writing). The Company shall keep the Purchaser informed of the status of material developments and negotiations with respect to any Acquisition Proposal, inquiry, proposal, offer or request, including any material changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request.

Following the receipt by the Company of a written Acquisition Proposal made prior to Shareholder approval of the Arrangement, the Company and its Representatives may, provided that (A) the Board determines in good faith after consultation with its outside legal counsel and financial advisors that such Acquisition Proposal is or would reasonably be expected to lead to a Superior Proposal; (B) the Company notifies the Purchaser of such Acquisition Proposal as required by the Arrangement Agreement; and (C) the Company has been, and continues to be, in compliance with its non-solicitation obligations under the Arrangement Agreement:

- furnish information with respect to the Company and its Subsidiaries to the person making such Acquisition Proposal and its Representatives and financing sources, subject to entering

into a confidentiality agreement with such person containing terms that are not materially less favourable to the Company and its Subsidiaries than those contained in the Confidentiality Agreement, provided that such confidentiality agreement may not include any provision calling for an exclusive right to negotiate with the Company and its Subsidiaries and may not restrict the Company or its Subsidiaries from complying with the Arrangement Agreement (it being understood and agreed that such confidentiality agreement need not restrict the making of a confidential Acquisition Proposal and related communications to the Company or the Board), a copy of which shall be provided to the Purchaser prior to providing such person with any such copies, access or disclosure; and

- contact, communicate and otherwise participate in discussions or negotiations with the persons making such Acquisition Proposal and its Representatives regarding such Acquisition Proposal.

Prior to Shareholder approval of the Arrangement, the Company may enter into a definitive agreement (in addition to any confidentiality and standstill agreement) with respect to an Acquisition Proposal including, for greater certainty, an amendment, change or modification to an Acquisition Proposal made prior to the date hereof, provided that:

- the Company has complied with its non-solicitation obligations under the Arrangement Agreement in all material respects;

- the Board has determined, after consultation with its outside legal and financial advisors, that such Acquisition Proposal is a Superior Proposal;

- the Company has delivered written notice to the Purchaser of the determination of the Board that the Acquisition Proposal is a Superior Proposal and of the intention of the Board to approve or recommend such Superior Proposal and/or of the Company to enter into an agreement with respect to such Superior Proposal, together with an indication of the value ascribed by the Board to any non-cash consideration, if any, offered pursuant to such Acquisition Proposal and a copy of the definitive agreement and all related or supporting materials, including any financing documents supplied to the Company in connection therewith (collectively, the "**Superior Proposal Notice**");

- at least five Business Days have elapsed since the date the Superior Proposal Notice was received by Purchaser which five Business Day period is referred to as the "**Right to Match Period**";

- during the Right to Match Period, the Purchaser has had the opportunity (but not the obligation) to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;

- if the Purchaser has offered to amend the terms of the Arrangement during the Right to Match Period pursuant to the Arrangement Agreement, the Board has determined in good faith, after consultation with its outside legal and financial advisors, that such Acquisition Proposal continues to be a Superior Proposal compared to the amendment of the terms of the Arrangement Agreement offered by the Purchaser at or prior to the termination of the Right to Match Period; and

- the Company shall have terminated or shall concurrently terminate the Arrangement Agreement and the Company shall have paid or shall concurrently pay the applicable Termination Payment contemplated by the Arrangement Agreement.

In addition, subject to the right to termination contemplated in the Arrangement Agreement, the Board may make a Change in Recommendation, provided that the foregoing requirements are satisfied.

Right to Match

During the Right to Match Period, the Purchaser will have the opportunity, but not the obligation, to offer to amend the terms of the Arrangement Agreement. The Board will review in good faith any such written offer by the Purchaser to amend the terms of the Arrangement Agreement in order to determine, in good faith after consultation with its outside legal counsel and financial advisors, whether the Purchaser's offer to amend the Arrangement Agreement, upon its acceptance, would result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal compared to the Arrangement and the Arrangement Agreement subject to the amendments offered by the Purchaser. If the Board determines that the Acquisition Proposal would cease to be a Superior Proposal, the Company and the Purchaser shall enter into an amendment to the Arrangement Agreement reflecting the offer by the Purchaser to amend the terms of the Arrangement Agreement.

The Board will promptly reaffirm its recommendation of the Arrangement by press release after: (i) any Acquisition Proposal is publicly announced or made to Shareholders and the Board determines it is not a Superior Proposal; or (ii) the Board determines that a proposed amendment to the terms of the Arrangement Agreement would result in a previously announced Acquisition Proposal not being a Superior Proposal, and the Purchaser and the Company have so amended the terms of the Arrangement Agreement. The Purchaser will be given a reasonable opportunity to review and comment on the form and content of any such press release, and shall make all reasonable amendments to such press release that are requested by the Purchaser and its counsel on a timely basis.

Each successive amendment to any Acquisition Proposal that results in an increase in, or modification of, the consideration to be received by the Shareholders will constitute a new Acquisition Proposal for purposes of the Arrangement Agreement, provided that the Purchaser shall be afforded a new five Business Day Right to Match Period in respect of such new Acquisition Proposal from the later of the date the Superior Proposal Notice was received by the Purchaser in respect of such new Acquisition Proposal and the date on which the Purchaser receives all of the materials set forth in the Arrangement Agreement with respect to the new Acquisition Proposal.

Nothing in the Arrangement Agreement shall prevent the Board from responding through a directors' circular or otherwise as required by applicable Laws to an Acquisition Proposal that it determines is not a Superior Proposal. Further, nothing in the Arrangement Agreement shall prevent the Board from making any disclosure to the Company Securityholders in response to an Acquisition Proposal, if the Board, acting in good faith and following consultation with its legal and financial advisors, shall have first determined that the failure to make such disclosure would be inconsistent with the fiduciary duties of the Board or such disclosure is otherwise required under applicable Laws, provided, however, that, notwithstanding the Board shall be permitted to make such disclosure, the Board shall not be permitted to make a Change in Recommendation, other than as permitted by the Arrangement Agreement.

If the Company provides the Purchaser with a Superior Proposal Notice on a date that is less than five Business Days prior to the Meeting, if requested by the Purchaser, the Company shall adjourn the Meeting to a date that is not less than five Business Days and not more than 15 Business Days after the scheduled date of the Meeting, provided, however, that the Meeting shall not be adjourned or postponed to a date which would prevent the Effective Date from occurring on or prior to the Outside Date.

Insurance and Indemnification

The Arrangement Agreement provides that, prior to the Effective Time, the Company shall obtain and fully pay the premium for the extension of the directors' and officers' liability coverage of the Company's and its Subsidiaries' existing directors' and officers' insurance policies for a claims reporting or run off and extended reporting period and claims reporting period of not less than six years from and after the Effective Time with respect to any claim related to any period of time at or prior to the Effective Time, provided that the Purchaser shall not be required to pay any amounts in respect of such coverage prior to the Effective Date and provided further that the cost of such policies shall not exceed 200% of the Company's current annual aggregate premium for its current directors and officers insurance, from an insurance carrier with the same or better credit rating as the Company's current insurance carriers with respect to directors' and officers' liability insurance, and with terms, conditions, retentions and limits of liability that are, in all material respects, no less advantageous to the Indemnified Persons (as defined below) than the coverage provided under the Company's and its Subsidiaries' existing policies with respect to any actual or alleged error, misstatement, misleading statement, misrepresentation, act, omission, neglect, breach of duty or any matter claimed against a director or officer of the Company or any of its Subsidiaries (each an "**Indemnified Person**") by reason of him or her serving in such capacity that existed or occurred at or prior to the Effective Time (including in connection with the approval or completion of the Arrangement Agreement, the Arrangement or the other transactions contemplated by the Arrangement Agreement or arising out of or related to the Arrangement Agreement and the transactions contemplated within).

The Purchaser shall cause the Company (or its successor) to honour all rights to indemnification now existing in favour of each Indemnified Person as contained in agreements contained in the electronic data room of the Company and acknowledges that rights to indemnification contained in such agreements shall not be amended or rescinded in a manner adverse to the applicable Indemnified Persons, shall survive the completion of the Arrangement and shall continue in full force and effect in accordance with their terms.

Covenants Regarding Pre-Acquisition Reorganization

In the Arrangement Agreement, the Company agrees that, upon the request by the Purchaser, it shall use commercially reasonable efforts, and shall cause each Subsidiary, to: (i) effect such reorganizations of the Company's or its Subsidiaries' business, operations and assets or such other transactions as the Purchaser may request, acting reasonably (each a "**Pre-Acquisition Reorganization**"); and (ii) cooperate with the Purchaser and its advisors in order to determine the nature of any Pre-Acquisition Reorganizations that might be undertaken and the manner in which any Pre-Acquisition Reorganization might most effectively be undertaken, in each case subject to customary limitations.

Under the Arrangement Agreement, the Purchaser agrees to provide the Company with written notice of any proposed Pre-Acquisition Reorganization at least 10 Business Days prior to the Effective Time. Upon receipt of such notice, both parties covenanted to work co-operatively and use commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do all such other acts and things as are necessary to give effect to such Pre-Acquisition Reorganization, at the expense of the Purchaser. The Purchaser committed to reimbursing the Company for all fees and expenses, including reasonable legal fees and disbursements, incurred by the Company and its Subsidiaries in considering, effecting or otherwise in connection with the Pre-Acquisition Reorganization if the Arrangement is not completed. The Purchaser further committed to indemnifying the Company, its Subsidiaries and their respective Representatives from and against any and all liabilities, losses, damages, claims, costs, expenses, interest, awards, judgements, Taxes and penalties suffered or incurred by any of them in connection with or as a result or in connection with implementing, reversing or unwinding of any Pre-Acquisition Reorganization.

Both parties also agreed to seek to have any Pre-Acquisition Reorganization that is to be effective before the Effective Time made effective as of the last moment of the day ending immediately prior to the Effective Date, provided that no Pre-Acquisition Reorganization will be made effective unless it is reasonably certain, after consulting with the Company, that the Arrangement will become effective.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated and the Arrangement abandoned at any time prior to the Effective Time by:

- the mutual written consent of the Parties; or
- the Company or the Purchaser, if:
    - the Effective Time does not occur on or prior to the Outside Date, provided that a Party may not so terminate the Arrangement Agreement if the failure of the Effective Time to so occur has been primarily caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or
    - any court of competent jurisdiction or other Governmental Entity in Canada shall have issued any order, decree or ruling permanently enjoining or otherwise permanently prohibiting the Arrangement (unless such order, decree or ruling has been withdrawn, reversed or otherwise made inapplicable), which order, decree or ruling is final and non-appealable; or
    - the Meeting is duly convened and held, the Arrangement Resolution is voted on by Shareholders and is not approved by the Shareholders entitled to vote thereon at the Meeting in accordance with the Interim Order; or
    - after the date of the Arrangement Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Company or the Purchaser from consummating the Arrangement and such restraint has become final and non-appealable; or
- the Company if:
    - prior to the approval of the Arrangement Resolution by the Shareholders, the Board makes a Change in Recommendation or the Company enters into a written agreement with respect to a Superior Proposal (other than a confidentiality or standstill agreement) in compliance with the provisions of Section 7.4(a) of the Arrangement Agreement, provided that prior to or concurrently with the entering into of that definitive agreement, the Company is in compliance with Article 7 of the Arrangement Agreement in all material respects and the Company shall have paid to Purchaser the Termination Payment in accordance with Section 8.2 of the Arrangement Agreement; or
    - a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser set forth in the Arrangement Agreement shall have occurred that would cause the conditions set forth in Section 6.1 or Section 6.3 of the Arrangement Agreement to be incapable of being satisfied by the Outside Date, provided that the Company is not then in breach of the Arrangement Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.2 of the Arrangement Agreement not to be satisfied; or

- the Purchaser if:

    - prior to obtaining the approval of the Arrangement Resolution, (A) the Board shall have effected a Change in Recommendation, (B) the Board or the Company shall have entered into, or has publicly announced that it proposes to enter into, a binding written agreement in respect of an Acquisition Proposal (other than a confidentiality or standstill agreement permitted pursuant to Section 7.3(a)(i) of the Arrangement Agreement), or the Board accepts, approves, endorses or recommends (or publicly announces that it proposes to do so) an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced Acquisition Proposal for more than five Business Days after the formal announcement thereof (or beyond the second Business Day prior to the date of the Meeting, if sooner), or (C) the Company materially breaches any provision of Section 7.1 to Section 7.5 of the Arrangement Agreement; or

    - a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company set forth in the Arrangement Agreement shall have occurred that would cause the conditions set forth in Section 6.1 or Section 6.2 of the Arrangement Agreement to be not satisfied by the Outside Date, provided that the Purchaser is not then in breach of the Arrangement Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.3 of the Arrangement Agreement not to be satisfied; or

    - a Material Adverse Effect has occurred in respect of the Company.

Termination Payments

Except as otherwise provided in the Arrangement Agreement, all fees, costs and expenses incurred in connection with the Arrangement Agreement and the Plan of Arrangement shall be paid by the Party and its affiliates and representatives incurring such costs or expenses and the Purchaser shall be responsible for any filing fees or similar fee and applicable Taxes payable to a Governmental Entity in connection with a Required Regulatory Approval.

If a Termination Payment Event occurs, the Company shall pay or cause to be paid to the Purchaser the Termination Payment as liquidated damages. For the purposes of the Arrangement Agreement, "**Termination Payment**" means $4,000,000, and "**Termination Payment Event**" means the termination of the Arrangement Agreement:

- pursuant to Section 8.1(c)(i) [*Change in Recommendation or Acquisition Proposal*] of the Arrangement Agreement;

- by the Purchaser pursuant to Section 8.1(c)(ii) [*SCGI Breach*] solely as a result of the Company's failure to comply with the covenant of the Company contained in Section 5.1(b)(i) or (ii) of the Arrangement Agreement (other than a failure resulting from *de minimis* issuance, sale, grant, award, pledge, disposal or encumbrance);

- pursuant to Section 8.1(d)(i) [*Superior Proposal*] of the Arrangement Agreement; or

- by either the Purchaser or the Company pursuant to Section 8.1(b)(i) [*Failure to complete by Outside Date*] or Section 8.1(b)(iii) [*Failure to obtain SCGI Shareholder Approval*] of the Arrangement Agreement or by the Purchaser pursuant to Section 8.1(c)(ii) [*SCGI Breach*] of the Arrangement Agreement, but only if:

- prior to such termination in the case of a termination pursuant to Section 8.1(b)(i) [*Failure to complete by Outside Date*] or Section 8.1(c)(ii) [*SCGI Breach*] of the Arrangement Agreement, an Acquisition Proposal is publicly announced or made, or any person has publicly announced an intention to make an Acquisition Proposal;

- prior to the date of the Meeting in the case of a termination pursuant to Section 8.1(b)(iii) [*Failure to obtain SCGI Shareholder Approval*] of the Arrangement Agreement, an Acquisition Proposal publicly announced or made, or any person has publicly announced an intention to make an Acquisition Proposal; and

- within 365 days following the date of such termination, any Acquisition Proposal is consummated or any definitive agreement is entered into in respect of any Acquisition Proposal and such Acquisition Proposal is later consummated (whether or not within 365 days following such termination).

For purposes of the foregoing, the term "**Acquisition Proposal**" shall have the meaning assigned to such term in the Glossary of Terms, except that references to "20% or more" shall be deemed to be references to "50%" (including any Common Shares owed by the person making such Acquisition Proposal). For the purposes of the last bulleted term above, the term "Acquisition Proposal" shall be read to exclude any Acquisition Proposal that is a rights offering, private placement or restructuring proceeding by the Company or the Bank.

Closing Date

The Arrangement shall become effective on the date upon which the Company and the Purchaser agree in writing as the Effective Date or, in the absence of such agreement, three Business Days following the satisfaction or waiver of all conditions to completion of the Arrangement set out in Article 6 of the Arrangement Agreement (described above under the heading "*Conditions to the Arrangement Becoming Effective*") (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, waiver of those conditions as of the Effective Date by the applicable Party or Parties for whose benefit such conditions exist).

Limitation of Liability

The Arrangement Agreement provides that, subject to the Purchaser's right to injunctive and other non-monetary equitable relief or specific performance in accordance with the Arrangement Agreement to prevent or restrain breaches or threatened breaches of the Arrangement Agreement and to enforce compliance with the terms of the Arrangement Agreement, in the event that the Termination Payment is paid to the Purchaser, payment of the Termination Payment shall be the sole remedy in compensation or damages of the Purchaser with respect to the events giving rise to the termination of the Arrangement Agreement and the resulting payment of such amount.

Governing Law

The Arrangement Agreement will be governed by and interpreted and enforced in accordance with the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.

ARRANGEMENT MECHANICS

Depositary Agreement

Pursuant to the Plan of Arrangement, the Purchaser shall deposit, or arrange to be deposited, cash for the payment of the aggregate Consideration for the Common Shares with the Depositary in the aggregate amount equal to the payments in respect of the Common Shares required by the Plan of Arrangement (with the amount per Common Share in respect of which Dissent Rights have been exercised being deemed to be the Consideration per applicable Common Share for this purpose). This money will be held in escrow for the benefit of the holders of Common Shares entitled to receive the Consideration for each Common Share held by them in a special account with the Depositary to be paid to or to the order of the respective former Shareholders without interest. The Purchaser shall also deposit, on the Company's behalf, the money required for payment of the obligations to holders of Options, RSUs and DSUs pursuant to the Plan of Arrangement in escrow for the benefit of such holders in a special account with the Depositary to be paid to or to the order of the respective former holders without interest. The Purchaser and the Depositary will enter into a depositary agreement prior to the Effective Date.

Certificates and Payment

Upon surrender to the Depositary for cancellation of a certificate that immediately prior to the Effective Time represented outstanding Common Shares that were acquired by the Purchaser pursuant to the Plan of Arrangement, together with a duly completed and executed Letter of Transmittal and such other documents and instruments as would have been required to effect the transfer of the Common Shares formerly represented by such certificate under the OBCA and the by-laws of the Company, and such additional documents and instruments as the Depositary may reasonably require, such former Shareholder (other than a Dissenting Shareholder) holding such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder as soon as practicable following the Effective Time a cheque (or, if required by applicable laws, a wire transfer) for the amount of cash such holder is entitled to receive under the Plan of Arrangement, less any amounts withheld and remitted pursuant to the Plan of Arrangement (together, if applicable, with any unpaid dividends or distributions declared on the Common Shares, if any, prior to the Effective Time), and any certificate so surrendered shall forthwith be cancelled. In the event of a transfer of ownership of Common Shares that was not registered in the securities register of the Company, the amount of cash payable for such Common Shares under the Arrangement may be delivered to the transferee if the certificate representing such Common Shares is presented to the Depositary as provided above, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable Common Share transfer Taxes have been paid.

The Plan of Arrangement requires that, as soon as practicable after the Effective Date, the Depository shall deliver, on behalf of the Company, to each holder of Incentive Securities, as reflected on the books and records of the Company, a cheque (or, if required by applicable laws, a wire transfer) representing the cash payment, if any, which such holder of Incentive Securities has the right to receive under the Plan of Arrangement for such Incentive Security, less any amounts withheld and remitted pursuant to the Plan of Arrangement. Thereafter, the Purchaser shall be fully and completely discharged from its obligation to pay the Consideration to the former Shareholders, and the Company shall be fully and completely discharged from its payment obligations to former holders of Options, RSUs and DSUs referred to in the Plan of Arrangement, respectively, and the rights of such holders shall be limited to receiving, without interest, from the Depositary their proportionate part of the money (less any amounts deducted and remitted pursuant to the Plan of Arrangement) so deposited on, in case of Shareholders, presentation and surrender of the documentation specified above. Any interest on such deposit shall belong to the Purchaser.

Pursuant to the Plan of Arrangement, any certificate, agreement or other instrument that immediately prior to the Effective Time represented outstanding Common Shares not duly surrendered with all other documents required under the Arrangement Agreement on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder thereof of any kind or nature against or in the Company or the Purchaser. On such date, all consideration to which such former holder was entitled under the Plan of Arrangement shall be deemed to have been surrendered to the Purchaser or the Company, as applicable, together with all entitlements to dividends, distributions and interest thereon held for such former holder.

Any payment made by way of cheque by the Depositary or the Company, as applicable, pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary or the Company, as applicable, or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Common Shares and Incentive Securities pursuant to the Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser for no consideration.

Pursuant to the Plan of Arrangement, in the event any certificate that immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred pursuant to the Plan of Arrangement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to be lost, stolen or destroyed, the Depositary shall issue and deliver to the Person claiming such certificate to be lost, stolen or destroyed, in exchange for such lost, stolen or destroyed certificate, a wire or cheque representing the aggregate consideration in respect thereof which such holder is entitled to receive pursuant to the Arrangement, deliverable in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such payment is to be delivered shall, as a condition precedent to the delivery of such payment, give a bond in form satisfactory to the Purchaser and the Depository in such sum as the Purchaser may direct, or otherwise indemnify the Purchaser, the Company and the Depositary in a manner satisfactory to the Purchaser and the Company, against any claim that may be made against the Purchaser, the Company and the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

The Plan of Arrangement provides that the Company, the Purchaser, the Depositary and any other Person shall be entitled to deduct or withhold from any amount payable to any Person under the Plan of Arrangement, such amounts as the Company, the Purchaser, the Depositary or such other Person, as applicable, determines, acting reasonably, are required to be deducted or withheld with respect to such payment under the Tax Act or any provision of any other Law. To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated for all purposes of the Arrangement Agreement as having been paid to the Person in respect of which such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Entity.

Letter of Transmittal

Registered Shareholders will have received with this Information Circular a Letter of Transmittal (printed on yellow paper). In order to receive the Consideration, such Shareholders (other than the Dissenting Shareholders) must complete and sign the Letter of Transmittal enclosed with this Information Circular and deliver it and the other documents required by it, including the certificates representing the Common Shares, to the Depositary in accordance with the instructions contained in the Letter of Transmittal. Beneficial Shareholders must contact their Intermediary to arrange for the surrender of their Common Shares.

The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. Registered Shareholders (other than the Dissenting Shareholders) can obtain additional copies of the Letter of Transmittal by contacting the Transfer Agent. The form of Letter of Transmittal is available on SEDAR at www.sedar.com.

The Purchaser and the Company, subject to the consent of the Depositary, reserve the right to waive or not to waive any and all errors or other deficiencies in any Letter of Transmittal or other document and any such waiver or non-waiver will be binding upon the affected Shareholders. The granting of a waiver to one or more Shareholders does not constitute a waiver for any other Shareholders. The Company and the Purchaser reserve the right to demand strict compliance with the terms of the Letter of Transmittal and the Arrangement. The method used to deliver the Letter of Transmittal and any accompanying certificates representing the Common Shares is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depositary. The Company recommends that the necessary documentation be hand delivered to the Depositary, and a receipt obtained therefor; otherwise the use of registered mail with return receipt requested, and with proper insurance obtained, is recommended.

Holders of DSUs, RSUs and Options need not complete any documentation to receive the consideration owed to them under the Arrangement in respect of their DSUs, RSUs and/or Options.

CERTAIN LEGAL AND REGULATORY MATTERS

Required Shareholder Approval

In order for the Arrangement to be effected, Shareholders will be asked to consider and, if deemed advisable, approve the Arrangement Resolution and any other related matters at the Meeting. The Arrangement Resolution must be approved by not less than 66⅔% of the votes cast by Shareholders who vote in respect of the Arrangement Resolution in person or by proxy at the Meeting. In addition, the Arrangement Resolution must be approved by a majority of the votes cast at the Meeting by Shareholders excluding votes attached to Common Shares held by Persons described in items (a) through (d) of Section 8.1(2) of MI 61-101. See "*Canadian Securities Law Matters*". Duncan Hannay, Adam Levy, and Alfonso Casciato each exercise control or direction over, or beneficially own, more than 1% of the issued and outstanding Common Shares (an aggregate of 4,581,768 Common Shares representing an aggregate of approximately 3.75% of the outstanding Common Shares), as calculated in accordance with MI 61-101. As such, the acceleration of the vesting of the Incentive Securities and the transfer of such vested Incentive Securities to the Purchaser in exchange for a cash payment equal to the Consideration (less applicable withholdings) by each of Duncan Hannay, Adam Levy and Alfonso Casciato, in addition to a cash bonus payable to Duncan Hannay and Adam Levy upon a change of control, may be considered to be a "collateral benefit" within the meaning of MI 61-101. Accordingly, the votes of Duncan Hannay, Adam Levy, and Alfonso Casciato will be excluded from determining minority approval in accordance with MI 61-101.

The full text of the Arrangement Resolution and Plan of Arrangement are attached to this Information Circular as Appendices B and D, respectively.

Court Approvals

On July 11, 2019, the Company obtained the Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order is attached to this Information Circular as Appendix F.

The OBCA provides that an arrangement requires Court approval. Subject to the terms of the Arrangement Agreement, and if the Arrangement Resolution is approved by Shareholders at the Meeting in the manner required by the Interim Order, the Company will apply to the Court to obtain the Final Order. A copy of the Notice of Application for the Final Order is attached to this Information Circular as Appendix G.

The hearing in respect of the Final Order is scheduled to take place at the Ontario Superior Court of Justice (Commercial List) located at 330 University Avenue, Toronto, Ontario on August 26, 2019, at 10:00 a.m. (Toronto time), or as soon after such time as counsel may be heard. At the hearing, any Shareholder or other interested party, including Optionholders or any holder of RSUs and DSUs, who wishes to appear or to be represented and to present evidence or arguments must serve and file a notice of appearance as set out in the Notice of Application for the Final Order and the Interim Order and satisfy any other requirements of the Court.

The Court has broad discretion under the OBCA when making orders with respect to arrangements. The Court, when hearing the motion for the Final Order, will consider, among other things, the fairness of the Arrangement to Shareholders. The Court may approve the Arrangement in any manner it may direct and determine appropriate.

Once the Final Order is granted and the other conditions contained in the Arrangement Agreement are satisfied or waived to the extent legally permissible, the Articles of Arrangement will be filed with the Director under the OBCA for issuance of the Certificate of Arrangement giving effect to the Arrangement.

Required Regulatory Approvals

The completion of the Arrangement is conditional on obtaining the following Required Regulatory Approvals.

Bank Act Approvals

Pursuant to Part VII of the Bank Act, the Parties are required to obtain the approval of the Canadian Minister of Finance. See "*The Arrangement Agreement – Covenants - Covenants Regarding the Bank Act Approvals, and – Regulatory Commitment Letter*".

CMHC Approval

The Parties are required to obtain the approval of the change of ownership of the Approved Lender (as defined in the Arrangement Agreement) in connection with the Arrangement by CMHC with no changes to the Bank's existing status as an Approved Lender or the rights and benefits arising therefrom.

Competition Act Clearance

Part IX of the Competition Act requires that each of the parties to a transaction that exceeds the thresholds set out in sections 109 and 110 to the Competition Act, and where no exemption applies, (a "**Notifiable Transaction**") provide the Commissioner with pre-closing notification filings ("**Notifications**"). The parties to a Notifiable Transaction cannot complete the transaction until the applicable statutory waiting period under section 123 of the Competition Act has expired or been terminated, an ARC has been issued by the Commissioner pursuant to section 102 of the Competition Act, or an appropriate waiver of the requirement to submit Notifications has been provided by the Commissioner through a No Action Letter.

The statutory waiting period is 30 calendar days after the day on which the parties to the Notifiable Transaction submit their Notifications, provided that, before the expiry of this period, the Commissioner has not notified the parties pursuant to subsection 114(2) of the Competition Act that the Commissioner requires additional information that is relevant to the Commissioner's assessment of the transaction (a "**Supplementary Information Request**"). If the Commissioner provides the parties with a Supplementary Information Request, the parties cannot complete the transaction until 30 calendar days after compliance with the Supplementary Information Request (unless an ARC or No Action Letter is issued before the expiry of such extended period) and cannot complete the transaction after that 30 day period if there is any Competition Tribunal order in effect prohibiting completion of the transaction at that time.

The Arrangement constitutes a Notifiable Transaction under the Competition Act. On June 28, 2019, the Purchaser filed with the Commissioner a request for an ARC or, in the alternative, a No Action Letter. At this time, the Parties have not filed their Notifications, and the statutory waiting period under Part IX of the Competition Act has not commenced. It is a condition to the Closing of the Arrangement that Competition Act Clearance be obtained.

Canadian Securities Law Matters

The Company is a reporting issuer (or its equivalent) in all provinces of Canada, and is accordingly subject to applicable securities Laws of such provinces and territories. In addition, the securities regulatory authorities in the provinces of Alberta, Manitoba, New Brunswick, Ontario and Quebec have adopted MI 61-101, which regulates transactions that raise the potential for conflicts of interest, including issuer bids, insider bids, related party transactions and business combinations.

The Arrangement does not constitute an issuer bid, an insider bid or a related party transaction. In assessing whether the Arrangement could be considered to be a "business combination" for the purposes of MI 61-101, the Company reviewed all benefits or payments that related parties of the Company are entitled to receive, directly or indirectly, as a consequence of the Arrangement to determine whether any constituted a "collateral benefit".

If any of the "related parties" (as defined in MI 61-101) of the Company is entitled to receive, directly or indirectly, as a consequence of the transaction, a "collateral benefit" (as defined in MI 61-101), the Arrangement will constitute a "business combination" for the purposes of MI 61-101 and the Arrangement Resolution will require "minority approval" in accordance with MI 61-101. If "minority approval" is required, the Arrangement Resolution must be approved by a majority of the votes cast, excluding those votes beneficially owned, or over which control or direction is exercised, by the "related parties" of the Company who can be considered to be receiving a "collateral benefit" in connection with the Arrangement, or "joint actors" (as defined in MI 61-101) of such related parties. This approval is in addition to the requirement that the Arrangement Resolution must be approved by at least $66^{2/3}\%$ of the votes cast by Shareholders present in person or represented by proxy at the Meeting and entitled to vote.

Certain of the executive officers and directors of the Company hold Options, DSUs and/or RSUs, as applicable. Pursuant to the Arrangement: (i) each Option outstanding immediately prior to the Effective Time (whether vested or unvested) shall be transferred to the Company in exchange for a cash payment from the Company equal to the amount, if any, by which the Consideration exceeds the exercise price per Common Share of such Option, less applicable withholdings; (ii) each DSU outstanding immediately prior to the Effective Time (whether vested or invested) shall be transferred to the Company in exchange for a cash payment from the Company equal to the Consideration, less applicable withholdings; and (iii) each RSU outstanding immediately prior to the Effective Time (whether vested or unvested) shall be transferred to the Company in exchange for a cash payment equal to the Consideration, less applicable withholdings. Pursuant to the terms of the Arrangement, the vesting of each of the Options and RSUs will

be accelerated. Certain of the executive officers of the Company will also be entitled to a cash bonus upon completion of the Arrangement.

In January 2019, the Governance, Conduct Review and Compensation Committee of the Company (the "**GRCC**") recommended to the Board that certain senior executive officers of the Company be offered cash bonuses payable upon a change of control transaction for the purposes of retaining such executives through the duration of Process. The amounts of such transaction bonuses were determined by the GRCC with advice from external compensation consultants Mercer. The following table shows the amount of the cash transaction bonus payable upon completion of the Arrangement to the senior executive officers in question.

Officer Name	Position	Bonus Amount Payable Upon Completion of Arrangement
Duncan Hannay	President and Chief Executive Officer	$284,538
Marissa Lauder	Executive Vice President and Chief Financial Officer	$142,269
Greg Parker	Executive Vice President, Capital Markets and Treasury	$113,815
Adam Levy	Executive Vice President, Corporate Development	$113,815
Gary Taylor	Executive Vice President and Chief Risk Officer	$88,207
	TOTAL	**$742,644**

Following disclosure by each of the directors and executive officers to the Board of the number of Common Shares, Options, DSUs and/or RSUs held by them and the benefits or payments that they expect to receive pursuant to the Arrangement, the Board has determined, except as described below, that the aforementioned benefits or payments fall within an exception to the definition of "collateral benefit" for the purposes of MI 61-101, since the benefits are: (i) received solely in connection with the directors' or officers' services as employees of the Company or of any affiliated entities of the Company; (ii) not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the directors or officers for their Common Shares; and (iii) not conditional on the directors or officers supporting the Arrangement in any manner. Further, at the time of the entering into of the Arrangement Agreement, none of the directors or officers of the Company entitled to receive such benefits, except as disclosed below, exercised control or direction over, or beneficially owned, more than 1% of the issued and outstanding Common Shares, as calculated in accordance with MI 61-101.

Duncan Hannay, Adam Levy and Alfonso Casciato each exercise control or direction over, or beneficially own, more than 1% of the issued and outstanding Common Shares, as calculated in accordance with MI 61-101. As such, the acceleration of the vesting of the Incentive Securities held by Duncan Hannay, Adam Levy and Alfonso Casciato in full and the transfer of such vested Incentive Securities to the Company in exchange for a cash payment equal to the Consideration (less applicable withholdings), in addition to cash bonuses payable to Duncan Hannay and Adam Levy upon a change of control as described above, may be considered to be a "collateral benefit" within the meaning of MI 61-101. Accordingly, the votes of Duncan Hannay, Adam Levy and Alfonso Casciato will be excluded from determining minority approval in accordance with MI 61-101.

Compliance Requirements of MI 61-101

In order to comply with MI 61-101, for the Arrangement to become effective, the Arrangement Resolution must be approved by not less than a simple majority of the votes cast by Shareholders, present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose the votes attached to Common Shares required to be excluded pursuant to MI 61-101. To the knowledge of the Board, the following table sets out the details of the votes attaching to Common Shares required to be excluded pursuant to MI 61-101 for the purposes of determining whether minority shareholder approval of the Arrangement under MI 61-101 has been obtained.

Name of Shareholder	Number of Common Shares Owned or Controlled
Duncan Hannay	2,000,000
Adam Levy	1,306,683
Alfonso Casciato	1,275,085
Total Common Shares Excluded	**4,581,768**

The Company is not required to obtain a formal valuation under MI 61-101 as no interested party (as defined in MI 61-101) of the Company is, as a consequence of the Arrangement, directly or indirectly acquiring the Company or its business or combining with the Company and neither the Arrangement nor the transactions contemplated thereunder, is a "related party transaction" for which the Company would be required to obtain a formal valuation.

To the knowledge of the Board, there have been no prior valuations in respect of the Company (as contemplated in MI 61-101) in the 24 months prior to the date of the Arrangement Agreement and no bona fide prior offer (as contemplated in MI 61-101) that relates to the transactions contemplated by the Arrangement has been received by the Company during the 24 months before the execution of the Arrangement Agreement.

Stock Exchange De-Listing and Reporting Issuer Status

The Common Shares are currently listed for trading on the TSX under the symbol "SCB".

The Company expects that the Common Shares will be de-listed from the TSX on or following the Effective Date.

Following the Effective Date, it is expected that the Purchaser will cause the Company to apply to cease to be a reporting issuer under the securities legislation of each of the provinces and territories in Canada under which it is currently a reporting issuer (or equivalent), or take or cause to be taken such other measures as may be appropriate to ensure that the Company is not required to prepare and file continuous disclosure documents.

DISSENT RIGHTS OF SHAREHOLDERS

Registered Shareholders as of the Record Date have been provided with the right to dissent in respect of the Arrangement Resolution in the manner provided in Section 185 of the OBCA, as modified by the Interim Order and the Plan of Arrangement (the "**Dissent Rights**"). The following summary is qualified in its entirety by the provisions of Section 185 of the OBCA, the Interim Order and the Plan of Arrangement. **It is a condition to completion of the Arrangement in favour of the Purchaser that**

Dissent Rights shall not have been exercised in respect of more than 7.5% of the issued and outstanding Common Shares.

Any Registered Shareholder as of the Record Date who validly exercises Dissent Rights (a "**Dissenting Shareholder**") may be entitled, in the event the Arrangement becomes effective, to be paid by the Purchaser fair value of the Common Shares held by such Dissenting Shareholder, which fair value, notwithstanding anything to the contrary contained in Part XIV of the OBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted. A Dissenting Shareholder will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Common Shares. Shareholders are cautioned that fair value could be determined to be less than the amount per Common Share payable pursuant to the terms of the Arrangement.

Section 185 of the OBCA provides that a Dissenting Shareholder may only make a claim under that Section with respect to all of the Common Shares held by the Dissenting Shareholder on behalf of any one beneficial owner and registered in the Dissenting Shareholder's name. **One consequence of this provision is that a Registered Shareholder may exercise Dissent Rights only in respect of Common Shares that are registered in that Registered Shareholder's name.**

In many cases, Common Shares beneficially owned by a Beneficial Shareholder are registered either: (i) in the name of an Intermediary, or (ii) in the name of a clearing agency (such as CDS Clearing and Depositary Services Inc.) of which the Intermediary is a participant. Accordingly, a Beneficial Shareholder will not be entitled to exercise its Dissent Rights directly (unless the Common Shares are re-registered in the Beneficial Shareholder's name). A Beneficial Shareholder who wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the Beneficial Shareholder deals in respect of its Common Shares and either: (a) instruct the Intermediary to exercise Dissent Rights on the Beneficial Shareholder's behalf (which, if the Common Shares are registered in the name of CDS Clearing and Depositary Services Inc. or other clearing agency, may require that such Common Shares first be re-registered in the name of the Intermediary), or (b) instruct the Intermediary to re-register such Common Shares in the name of the Beneficial Shareholder, in which case the Beneficial Shareholder would be able to exercise Dissent Rights directly.

A Registered Shareholder as of the Record Date who wishes to dissent must provide a written notice of dissent (a "Dissent Notice") to the Company at 1 Yonge Street, Suite 2401, Toronto, Ontario, M5E 1E5, Attention: General Counsel to be received not later than 10:00 a.m. (Toronto time) on August 14, 2019 (or 10:00 a.m. (Toronto time) on the day that is two Business Days immediately preceding any adjourned or postponed Meeting). Failure to properly exercise Dissent Rights may result in the loss or unavailability of the right to dissent.

The filing of a Dissent Notice does not deprive a Registered Shareholder of the right to vote at the Meeting. However, no Registered Shareholder who has voted FOR the Arrangement Resolution shall be entitled to exercise Dissent Rights with respect to its Common Shares. **A vote against the Arrangement Resolution, an abstention from voting, or a proxy submitted instructing a proxyholder to vote against the Arrangement Resolution does not constitute a Dissent Notice,** but a Registered Shareholder need not vote its Common Shares against the Arrangement Resolution in order to dissent. Similarly, the revocation of a proxy conferring authority on the proxyholder to vote FOR the Arrangement Resolution does not constitute a Dissent Notice. However, any proxy granted by a Registered Shareholder who intends to dissent, other than a proxy that instructs the proxyholder to vote against the Arrangement Resolution, should be validly revoked in order to prevent the proxyholder from voting such Common Shares in favour of the Arrangement Resolution and thereby causing the Registered Shareholder to forfeit his or her Dissent Rights.

Within ten days after the Shareholders adopt the Arrangement Resolution, the Company is required to notify each Dissenting Shareholder that the Arrangement Resolution has been adopted. Such notice is not required to be sent to any Shareholder who voted FOR the Arrangement Resolution or who has withdrawn its Dissent Notice.

A Dissenting Shareholder who has not withdrawn its Dissent Notice prior to the Meeting must then, within 20 days after receipt of notice that the Arrangement Resolution has been adopted, or if a Dissenting Shareholder does not receive such notice, within 20 days after learning that the Arrangement Resolution has been adopted, send to the Company a written notice containing his or her name and address, the number of Common Shares in respect of which he or she dissents (the "**Dissenting Shares**"), and a demand for payment of the fair value of such Common Shares (the "**Demand for Payment**"). Within 30 days after sending a Demand for Payment, a Dissenting Shareholder must send to the Company certificates representing the Common Shares in respect of which he or she dissents. The Company will, or will cause its Transfer Agent to, endorse on the applicable Common Share certificates received from a Dissenting Shareholder a notice that the holder is a Dissenting Shareholder and will forthwith return such Common Share certificates to a Dissenting Shareholder.

Failure to comply with the requirements set forth in Subsections 185 of the OBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss of any right to dissent.

After sending a Demand for Payment, a Dissenting Shareholder ceases to have any rights as a Shareholder in respect of its Dissenting Shares other than the right to be paid the fair value of the Dissenting Shares held by such Dissenting Shareholder, except where: (i) a Dissenting Shareholder withdraws its Dissent Notice before the Purchaser makes an offer to pay (an "**Offer to Pay**"), or (ii) the Purchaser fails to make an Offer to Pay and a Dissenting Shareholder withdraws the Demand for Payment, in which case a Dissenting Shareholder's rights as a Shareholder will be reinstated as of the date of the Demand for Payment.

Pursuant to the Plan of Arrangement, in no case shall the Purchaser, the Company or any other Person be required to recognize any Dissenting Shareholder as a Shareholder in respect of which Dissent Rights have been validly exercised after the time that is immediately prior to the Effective Time and the names of such Dissenting Shareholders shall be removed from the register of holders of Common Shares in respect of which Dissent Rights have been validly exercised at the Effective Time and the Purchaser shall be recorded as the registered holder of such Common Shares and shall be deemed to be the legal owner of such Common Shares.

In addition to any other restrictions under Section 185 of the OBCA, none of the following shall be entitled to exercise Dissent Rights: (i) Optionholders, holders of DSUs or RSUs; and (ii) Shareholders who vote or have instructed a proxyholder to vote such Common Shares FOR the Arrangement Resolution (but only in respect of such Common Shares).

Pursuant to the Plan of Arrangement, Dissenting Shareholders who are ultimately determined not to be entitled, for any reason, to be paid fair value for their Dissenting Shares, shall be deemed to have participated in the Arrangement on the same basis as any Shareholder who is not a Dissenting Shareholder.

The Purchaser is required, not later than seven days after the later of the Effective Date or the date on which a Demand for Payment is received from a Dissenting Shareholder, to send to each Dissenting Shareholder who has sent a Demand for Payment an Offer to Pay for its Dissenting Shares in an amount considered by the board of directors of the Purchaser to be the fair value of the Common Shares, accompanied by a statement showing the manner in which the fair value was determined. Every Offer to Pay for Common Shares of the same class must be on the same terms. The Purchaser must pay for the

Dissenting Shares of a Dissenting Shareholder within ten days after an Offer to Pay has been accepted by a Dissenting Shareholder, but any such offer lapses if the Purchaser does not receive an acceptance within 30 days after the Offer to Pay has been made.

If the Purchaser fails to make an Offer to Pay for Dissenting Shares, or if a Dissenting Shareholder fails to accept an Offer to Pay that has been made, the Purchaser may, within 50 days after the Effective Date or within such further period as a court may allow, apply to a court to fix a fair value for the Dissenting Shares. If the Purchaser fails to apply to a court, a Dissenting Shareholder may apply to a court for the same purpose within a further period of 20 days or within such further period as a court may allow. A Dissenting Shareholder is not required to give security for costs in such an application.

Before the Purchaser makes an application to Court or not later than seven days after a Dissenting Shareholder makes an application to Court, the Purchaser will be required to give notice to each Dissenting Shareholder of the date, place and consequences of the application and of its right to appear and be heard in person or by counsel. Upon an application to a court, all Dissenting Shareholders who have not accepted an Offer to Pay will be joined as parties and be bound by the decision of the court. Upon any such application to a court, the court may determine whether any Person is a Dissenting Shareholder who should be joined as a party, and the court will then fix a fair value for the Dissenting Shares of all Dissenting Shareholders. The final order of a court will be rendered against the Purchaser in favour of each Dissenting Shareholder for the amount of the fair value of its Dissenting Shares as fixed by the court. The court may, in its discretion, allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the Effective Date until the date of payment.

The foregoing is only a summary of the provisions of the OBCA regarding the rights of Dissenting Shareholders (as modified by the Plan of Arrangement and the Interim Order), which are technical and complex. Shareholders are urged to review a complete copy of Section 185 of the OBCA, attached as Appendix H to this Information Circular, and those Shareholders who wish to exercise Dissent Rights are also advised to seek legal advice, as failure to comply strictly with the provisions of the OBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss or unavailability of their Dissent Rights.

INFORMATION CONCERNING THE COMPANY

General

The Company was established to create shareholder value by building a substantial, diversified financial services company. The Company's operations are currently concentrated in residential mortgage lending through its wholly owned subsidiary, Street Capital Bank of Canada, which was founded in 2007, and was approved on December 13, 2016 to commence business operations as a federally regulated Schedule I bank. It began banking operations on February 1, 2017. Prior to obtaining its bank licence, the Bank established itself as one of the largest non-bank mortgage lenders in Canada. The Bank operates in all provinces of Canada except Quebec.

The Company's registered and head office is located at 1 Yonge Street, Suite 2401, Toronto, Ontario, M5E 1E5.

Description of Share Capital

The Company is authorized to issue an unlimited number of Common Shares, an unlimited number of preferred shares, issuable in series, 12,000,000 preferred shares, series A and an unlimited number of preferred shares, series B, none of which are outstanding. As of the Record Date, there were 122,184,182

Common Shares issued and outstanding. Shareholders are entitled to receive notice of, attend and vote at all meetings of the Shareholders.

Holders of the Common Shares are entitled to receive dividends as and when declared by the Board. Subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, the holders of the Common Shares are entitled to receive the remaining assets of the Company available for distribution, after payment of liabilities, in the event of liquidation, dissolution or winding-up of the Company.

The Common Shares carry one vote per Common Share for all matters coming before Shareholders at the Meeting. Only Shareholders of record as at the Record Date will be entitled to vote at the Meeting.

Outstanding Securities Beneficially Owned or Controlled by the Company's Directors, Officers and Insiders

Name and Office(s) Held within the Company	**Number of Outstanding Common Shares Directly or Indirectly Controlled at July 11, 2019 and Percentage**	**Number of Outstanding Options Directly or Indirectly Controlled at July 11, 2019 and Percentage**	**Number and percentage of Outstanding RSUs Directly or Indirectly Controlled at July 11, 2019 and Percentage**	**Number and percentage of Outstanding DSUs Directly or Indirectly Controlled at July 11, 2019 and Percentage**
Lea M. Ray *Chairman of the Board*	25,000; 0.02%	nil	nil	nil
Duncan Hannay *Director; President and CEO*	2,000,000; 1.64%	2,788,452; 40.23%	882,338; 30.97%	nil
Ronald Appleby *Director*	501,500; 0.41%	72,751; 1.05%	nil	146,589.7; 100.00%
Tom Bermingham *Director*	36,500; 0.03%	nil	nil	nil
W. Edward Gettings *Director*	9,970,709; 8.16%	nil	nil	nil
Ron Lalonde *Director*	37,500; 0.03%	nil	nil	nil
Morris Perlis *Director*	815,000; 0.67%	265,000; 3.82%	nil	nil
Carrie Russell *Director*	nil	nil	nil	nil
Marissa Lauder *Executive Vice President and CFO*	47,000; 0.04%	544,820; 7.86%	229,186; 8.04%	nil
R. Adam Levy *Executive Vice President, Corporate Development*	1,306,683; 1.07%	303,251; 4.38%	270,224; 9.49%	nil
Gregory Parker *Executive Vice President, Treasury and Capital Markets*	nil	901,625; 13.00%	268, 551; 9.43%	nil

Name and Office(s) Held within the Company	Number of Outstanding Common Shares Directly or Indirectly Controlled at July 11, 2019 and Percentage	Number of Outstanding Options Directly or Indirectly Controlled at July 11, 2019 and Percentage	Number and percentage of Outstanding RSUs Directly or Indirectly Controlled at July 11, 2019 and Percentage	Number and percentage of Outstanding DSUs Directly or Indirectly Controlled at July 11, 2019 and Percentage
Gary H. Taylor *Executive Vice President and Chief Risk Officer*	718,601; 0.59%	212,276; 3.06%	232,413; 8.16%	nil
Michael Spero *Senior Vice President, Operations*	250,000; 0.20%	250,000; 3.61%	116,117; 4.08%	nil
Steve Kissuk *Senior Vice President, Credit Operations*	nil	371,300; 5.36%	132,807; 4.66%	nil

Trading in Common Shares

The Common Shares are currently listed for trading on the TSX under the symbol "SCB". The Company expects that the Common Shares will be de-listed from the TSX on or following the Effective Date. See "*Certain Legal and Regulatory Matters – Stock Exchange De-Listing and Reporting Issuer Status*".

The following tables summarize the monthly range of high and low prices per Common Share, as well as the total monthly trading volumes of the Common Shares on the TSX during the 12-month period preceding the date of this Information Circular according to Bloomberg:

Common Shares (TSX)

Month	High ($)	Low ($)	Volume
June 2018	0.90	0.78	357,312
July 2018	0.90	0.78	353,110
August 2018	0.94	0.84	483,616
September 2018	0.93	0.85	1,045,185
October 2018	0.93	0.82	385,340
November 2018	0.92	0.61	507,441
December 2018	0.70	0.46	591,019
January 2019	0.65	0.50	3,911,083
February 2019	0.62	0.55	393,618

Month	High ($)	Low ($)	Volume
March 2019	0.64	0.50	717,476
April 2019	0.53	0.45	643,238
May 2019	0.50	0.47	299,857
June 2019	0.67	0.47	5,366,768
July 2019 (to July 10)	0.66	0.65	2,781,443

On June 14, 2019, the last trading day on which the Common Shares traded prior to the Company's announcement that it had entered into the Arrangement Agreement, the closing price of the Common Shares was $0.50 on the TSX.

Dividend Policy

There were no dividends declared or paid by the Company in 2016, 2017 or 2018. There are no restrictions on the Company's ability to declare dividends. However, Street Capital Bank of Canada, the sole operating subsidiary of the Company, is subject to capital and other requirements under the Bank Act that must be met before dividends can be declared and paid.

INFORMATION CONCERNING THE PURCHASER

The Purchaser is a privately held Ontario corporation managed by RFA and backed by a variety of private equity investors. The Purchaser is part of the RFA group, a multi-platform, Canadian-owned investment company founded in 1996 and focused on equity and debt investments in Canadian real estate. Since 1996, the RFA group has invested in over $15 billion in real estate transactions, including: as a market leader in CMBS transactions; commercial real estate through Nexus REIT; a growing retirement portfolio; construction loans and in restructuring distressed real estate assets. Through various platforms and operating companies, the RFA group employs over 500 people across Canada, including RFA Mortgage Corporation, a prime, single-family residential independent non-bank mortgage finance company founded in August 2018.

Upon completion of the Arrangement, the Company will be directly owned by the Purchaser.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations under the Tax Act generally applicable, as of the date hereof, to a Shareholder, who, for the purposes of the Tax Act and at all relevant times, (i) deals at arm's length with the Company and the Purchaser, (ii) is not affiliated with the Company or the Purchaser, (iii) disposes of Common Shares pursuant to the Plan of Arrangement, and (iv) holds its Common Shares as capital property (a "**Holder**"). Generally, Common Shares will be capital property to a Holder unless the Common Shares are held or were acquired in the course of carrying on a business or as part of an adventure or concern in the nature of trade. Certain Resident Holders (as defined below) whose Common Shares might not otherwise be capital property may, in certain circumstances, be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have such Common Shares and every other "Canadian security" (as defined in the Tax Act) owned by them deemed to be capital property in the taxation year of the election and in all

subsequent taxation years. Such Resident Holders should consult their own tax advisors for advice with respect to whether an election under subsection 39(4) of the Tax Act is available or advisable in their particular circumstances.

This summary does not address the tax consequences to holders of Incentive Securities. Such holders are advised to consult their own tax advisors regarding the consequences of any such transactions in their particular circumstances.

This summary is based upon the current provisions of the Tax Act, the regulations thereunder (the "**Regulations**") and counsel's understanding of the current administrative policies and assessing practices published in writing by the Canada Revenue Agency (the "**CRA**") prior to the date hereof. This summary also takes into account all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**"), and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policies or assessing practices, whether by legislative, regulatory, administrative or judicial action or decision, nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may be different from those discussed in this summary.

This summary is not applicable to a holder (i) that is a "financial institution" as defined in the Tax Act for the purposes of the "mark-to-market property" rules contained in the Tax Act; (ii) that is a "specified financial institution" as defined in the Tax Act; (iii) who has acquired Common Shares on the exercise of an employee stock option, pursuant to any other Incentive Securities, or otherwise in connection with their employment; (iv) that is a partnership; (v) an interest in which is a "tax shelter investment" as defined in the Tax Act; (vi) that reports its "Canadian tax results" within the meaning of section 261 of the Tax Act in a currency other than Canadian currency; or (vii) that has entered into a "derivative forward agreement" as defined in the Tax Act in respect of the Common Shares. Such Holders should consult their own tax advisors.

This summary is not, and is not intended to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Holders should consult their own tax advisors with respect to the tax consequences of the Arrangement having regard to their own particular circumstances.

Holders Resident in Canada

The following portion of the summary is generally applicable to a Holder who, at all relevant times, is, or is deemed to be, resident in Canada for purposes of the Tax Act and any applicable income tax treaty and is not exempt from tax under Part I of the Tax Act (a "**Resident Holder**").

Disposition of Common Shares under the Arrangement

Generally, a Resident Holder (other than a Resident Dissenting Shareholder) who disposes of Common Shares under the Arrangement will realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition received by the Resident Holder exceed (or are exceeded by) the aggregate of the adjusted cost base of the Common Shares to the Resident Holder and any reasonable costs of disposition. For a discussion of the treatment of capital gains (and capital losses), see "*Taxation of Capital Gains and Capital Losses*" below.

Resident Dissenting Shareholders

In the case of a Resident Holder who is a Dissenting Shareholder (a "**Resident Dissenting Shareholder**"), such Resident Holder will be entitled, in the event the Arrangement becomes effective, to be paid by the Purchaser the fair value of the Common Shares held by such Resident Holder.

In general, a Resident Dissenting Shareholder will realize a capital gain (or capital loss) equal to the amount by which the consideration received in respect of the fair value of the Common Shares held by such Resident Dissenting Shareholder (other than in respect of interest awarded by a court) exceeds (or is exceeded by) the aggregate adjusted cost base of such Common Shares and any reasonable costs of disposition. For a discussion of the treatment of capital gains (and capital losses), see "*Taxation of Capital Gains and Capital Losses*" below. Any interest awarded by a court to a Resident Dissenting Shareholder is required to be included in such Resident Holder's income for the purposes of the Tax Act.

Taxation of Capital Gains and Capital Losses

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized by the Resident Holder in the year. A Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized in the year. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized by the Resident Holder in such years, to the extent and in the circumstances described in the Tax Act.

In the case of a Resident Holder that is a corporation, the amount of any capital loss realized by such Holder on the disposition of a Common Share may be reduced by the amount of any dividends received (or deemed to be received) by it on such Common Share to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Common Shares directly or indirectly through a partnership or trust. Any such Resident Holder should consult its own tax advisor.

Additional Refundable Tax on Canadian-Controlled Private Corporations

A Resident Holder that is throughout the year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay additional tax (which is refundable in certain circumstances) on certain of its investment income, including an amount in respect of taxable capital gains and interest income.

Alternative Minimum Tax

Capital gains realized by an individual or a trust, other than certain trusts, may give rise to alternative minimum tax under the Tax Act. Resident Holders should consult their own advisors with respect to the potential application of alternative minimum tax.

Holders Not Resident in Canada

The following portion of this summary is generally applicable to a Holder who, for the purposes of the Tax Act and any applicable income tax treaty, and at all relevant times, is not, and is not deemed to be, resident in Canada, does not use or hold its Common Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or an "authorized foreign bank" (as defined in the Tax Act).

Disposition of Common Shares under the Arrangement

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on the disposition of Common Shares under the Arrangement unless the Common Shares are "taxable Canadian property" (within the meaning of the Tax Act) to the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty. For a discussion of what constitutes "taxable Canadian property", see "*Taxable Canadian Property*" below.

Non-Resident Dissenting Shareholders

In the case of a Non-Resident Holder who is a Dissenting Shareholder (a "**Non-Resident Dissenting Shareholder**"), such Non-Resident Holder will be entitled, in the event the Arrangement becomes effective, to be paid by the Purchaser the fair value of the Common Shares held by such Non-Resident Holder. As discussed above under "*Holders Not Resident in Canada – Disposition of Common Shares under the Arrangement*", any resulting capital gain will only be subject to tax under the Tax Act if the Common Shares are taxable Canadian property to the Non-Resident Dissenting Shareholder and the Non-Resident Dissenting Shareholder is not entitled to relief under an applicable tax treaty.

The amount of any interest awarded by a court to a Non-Resident Dissenting Shareholder will not be subject to Canadian withholding tax provided that such interest is not "participating debt interest" (as defined in the Tax Act).

Taxable Canadian Property

Provided that the Common Shares are listed on a "designated stock exchange" (as defined in the Tax Act, which currently includes the TSX) at the time of disposition of the Common Shares, the Common Shares generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60-month period immediately preceding that time: (i) one or any combination of (a) the Non-Resident Holder, (b) persons with whom the Non-Resident Holder does not deal at arm's length, and (c) partnerships in which the Non-Resident Holder or a person described in clause (b) holds a membership interest directly or indirectly through one or more partnerships, has held 25% or more of the issued shares of any class or series of the capital stock of the Company, and (ii) more than 50% of the fair market 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" (as defined in the Tax Act); (C) "timber resource properties" (as defined in the Tax Act); and (D) options in respect of, or interests in or for civil law rights in, property described in clause (A) to (C), whether or not such property exists. Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, a Non-Resident Holder's Common Shares may be deemed to be taxable Canadian property of the Non-Resident Holder.

Even if the Common Shares are considered to be taxable Canadian property of a Non-Resident Holder, any capital gain realized by the Non-Resident Holder on a disposition of the Common Shares under the Arrangement may be exempt from tax under the Tax Act pursuant to the terms of an applicable income tax treaty or convention.

In the event that the Common Shares constitute taxable Canadian property to a particular Non-Resident Holder, and a capital gain realized on the disposition of such Common Shares under the Arrangement is not exempt from tax under the Tax Act pursuant to an applicable income tax treaty or convention, then the tax consequences described above under "*Holders Resident in Canada – Disposition of Common Shares under the Arrangement*" generally will apply.

A Non-Resident Holder whose Common Shares may constitute taxable Canadian property should consult its own tax advisor, including with regard to the application of any income tax treaty or convention and any Canadian income tax reporting requirement arising from the Arrangement.

RISK FACTORS

Shareholders should carefully consider the following risk factors in evaluating whether to approve the Arrangement. These risk factors should be considered in conjunction with the other information included in this Information Circular, including certain sections of documents publicly filed, which sections are incorporated by reference herein.

Risk Factors Related to the Arrangement

There can be no certainty that all conditions to the Arrangement will be satisfied. Failure to complete the Arrangement could negatively impact the price of the Common Shares or otherwise adversely affect the business of the Company.

The completion of the Arrangement is subject to a number of conditions, certain of which are outside the control of the Company, including Shareholder approval, the Required Regulatory Approvals, receipt of the Final Order and Dissent Rights not being exercised with respect to more than 7.5% of the issued and outstanding Common Shares. There can be no certainty, nor can the Company provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. A substantial delay in obtaining satisfactory approvals and/or the imposition of unfavourable terms or conditions in the approvals to be obtained could have an adverse effect on the business, financial condition or results of operations of the Company or could result in the termination of the Arrangement Agreement. If: (i) Shareholders choose not to approve the Arrangement, (ii) the Company otherwise fails to satisfy, or fails to obtain a waiver of the satisfaction of, the Closing conditions to the transaction and the Arrangement is not completed, (iii) a Material Adverse Effect has occurred that results in the termination of the Arrangement Agreement, or (iv) any legal proceeding results in enjoining the transactions contemplated by the Arrangement, the Company could be subject to various adverse consequences, including that the Company would remain liable for significant costs relating to the Arrangement, including, among others, legal, accounting, financial advisory and financial printing expenses and the Termination Payment on the occurrence of a Termination Payment Event.

If the Arrangement is not completed, the market price of the Common Shares may decline to the extent that the market price reflects a market assumption that the Arrangement will be completed. If the Arrangement is not completed and the Board decides to seek another transaction or business combination, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the Consideration to be paid pursuant to the Arrangement.

In addition, since the completion of the Arrangement is subject to uncertainty, officers and employees of the Company may experience uncertainty about their future roles with the Company. This may adversely affect the Company's ability to attract or retain key management and personnel in the period until the Arrangement is completed or terminated.

Impact on the Company of a failure to complete the Arrangement.

If the Arrangement Resolution is not approved by Shareholders or if the Arrangement is not completed for any other reason, Shareholders will not receive any payment for any of their Common Shares in connection with the Arrangement. In these circumstances, the Board will be forced to explore other alternatives to address the Bank's capital funding challenges in the current business and regulatory environment. The Board believes that it would be very challenging for the Bank to remain competitive as

a smaller regulated Schedule I bank in the absence of significant and ongoing capital support. Even if the Company is able to obtain support for a significant capital injection with ongoing capital support, such alternative could diminish value for Shareholders. Depending on the terms of such a capital injection, it could result in significant dilution to existing Shareholders.

The Arrangement Agreement may be terminated in certain circumstances.

Each of the Parties has the right to terminate the Arrangement Agreement in certain circumstances. Accordingly, there is no certainty, nor can the Company provide any assurance, that the Arrangement will not be terminated by either Party before the completion of the Arrangement. Failure to complete the Arrangement could negatively impact the trading price of the Common Shares or otherwise adversely affect the business of the Company and could make the Company liable to make the Termination Payment on the occurrence of a Termination Payment Event.

The Termination Payment provided under the Arrangement Agreement if the Arrangement Agreement is terminated in certain circumstances may discourage other parties from attempting to acquire the Company.

Under the Arrangement Agreement, the Company is required to pay a Termination Payment of $4,000,000 in the event the Arrangement Agreement is terminated following the occurrence of a Termination Payment Event. The Termination Payment may discourage other parties from attempting to acquire the Common Shares, even if those parties would otherwise be willing to offer greater value than that offered under the Arrangement. See "*The Arrangement Agreement – Termination Payments*".

Even if the Arrangement Agreement is terminated without payment of the Termination Payment, the Company may, in the future, be required to pay the Termination Payment in certain circumstances.

Under the Arrangement Agreement, the Company may be required to pay the Termination Payment to the Purchaser at a date subsequent to the termination of the Arrangement Agreement if the Arrangement Agreement is terminated pursuant to Section 8.1(b)(i) [*Failure to complete by Outside Date*] or Section 8.1(b)(iii) [*Failure to obtain SCGI Shareholder Approval*] of the Arrangement Agreement, if (i) prior to the Meeting in the case of a termination pursuant to Section 8.1(b)(iii) [*Failure to obtain SCGI Shareholder Approval*] of the Arrangement Agreement, an Acquisition Proposal is publicly announced or otherwise publicly disclosed by any Person, (ii) prior to such termination in the case of termination pursuant to Section 8.1(b)(i) [*Failure to complete by Outside Date*] or Section 8.1(c)(ii) [*SCGI Breach*] of the Arrangement Agreement, an Acquisition Proposal is publicly announced or otherwise publicly disclosed by any Person; and (iii) within 365 days following the date of such termination, any Acquisition Proposal is consummated or any definitive agreement is entered into that contemplates any Acquisition Proposal and such Acquisition Proposal is later consummated (whether or not within 365 days after such termination). For purposes of the foregoing, the term "Acquisition Proposal" shall have the meaning assigned to such term in the Glossary of Terms in Appendix A to this Information Circular, except that references to "20% or more" shall be deemed to be references to "50%". See "*The Arrangement Agreement – Termination Payments*".

While the Arrangement is pending, the Company is restricted from taking certain actions.

The Arrangement Agreement restricts the Company from taking certain specified actions without the consent of the Purchaser until the Arrangement is completed. These restrictions may prevent the Company from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement.

The pending Arrangement may divert the attention of the Company's management.

The pendency of the Arrangement could cause the attention of the Company's management to be diverted from the day-to-day operations and clients, employees, suppliers or partners may seek to modify or terminate their business relationships with the Company. These disruptions could be exacerbated by a delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of the Company, which could result in a Material Adverse Effect.

The Company's officers may have interests in the Arrangement that are different from those of Shareholders.

In considering the recommendation of the Special Committee and the Board to vote in favour of the Arrangement Resolution, Shareholders should be aware that certain officers of the Company (including Duncan Hannay, who is also a member of the Board and the Special Committee, Adam Levy, and Alfonso Casciato) may have agreements or arrangements that provide them with interests in the Arrangement that differ from, or are in addition to, those of Shareholders, generally. See "*The Arrangement – Interests of Certain Persons in the Arrangement*".

Shareholders will no longer hold an interest in the Company following the Arrangement.

Following the Arrangement, Shareholders will no longer hold any of the Common Shares and will forego any future increase in value that might result from future growth and the potential achievement of the Company's long-term plans.

Risk Factors Related to the Business of the Company

Whether or not the Arrangement is completed, the Company will continue to face many of the risks that it currently faces with respect to its business and affairs. A description of the risk factors (incorporated by reference into this Information Circular) applicable to the Company is contained under the heading "*Risk Factors and Risk Management*" in the Company's Annual Information Form dated March 28, 2019 and in the Company's other filings with the Ontario Securities Commission and any other applicable securities commission or securities regulatory authority of a province or territory of Canada.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

See "*Certain Legal and Regulatory Matters – Canadian Securities Law Matters*" for information concerning benefits to be received by certain executive officers of the Company upon completion of the Arrangement.

AUDITORS

Ernst & Young LLP are the auditors of the Company and are independent of the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accounts of Ontario. Ernst & Young LLP has been the auditor of the Company since June 6, 2018.

OTHER INFORMATION AND MATTERS

There is no information or matter not disclosed in this Information Circular but known to the Company that would be reasonably expected to affect the decision of Shareholders to vote for or against the Arrangement Resolution.

LEGAL MATTERS

Certain legal matters in connection with the Arrangement will be passed upon for the Company by Goodmans LLP insofar as Canadian legal matters are concerned, and Torys LLP with respect to the Bank Act Approvals.

Certain legal matters in connection with the Arrangement will be passed upon for the Purchaser by Borden Ladner Gervais LLP insofar as Canadian legal matters are concerned.

ADDITIONAL INFORMATION

Additional financial information is provided in the Company's financial statements and management's discussion and analysis of the Company's financial condition and results of operations for its most recently completed financial year. Such information, in addition to the Company's annual information form, is available under the Company's profile on SEDAR at www.sedar.com. In the alternative, copies may be obtained from the Chief Financial Officer of the Company upon written request by writing to:

Street Capital Group Inc.
1 Yonge Street, Suite 2401
Toronto, Ontario M5E 1E5

DIRECTORS' APPROVAL

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

DATED as of the 11th day of July, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

"Lea M. Ray"

Chairman of the Board of Directors
Street Capital Group Inc.

CONSENT OF BMO NESBITT BURNS INC.

July 11, 2019

To: The Board of Directors of Street Capital Group Inc. (the "**Company**")

We refer to the management information circular (the "**Information Circular**") of the Company dated July 11, 2019 relating to the special meeting of shareholders of the Company to approve an arrangement under the *Business Corporations Act* (Ontario) involving, among others, the Company and RFA Capital Holdings Inc.. We consent to the inclusion in the Information Circular of our fairness opinion dated June 14, 2019 and references to our firm name and our fairness opinion in the Information Circular. Our fairness opinion was given as of June 14, 2019 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the Board of Directors of the Company shall be entitled to rely upon our opinion.

(Signed) "*BMO Nesbitt Burns Inc.*"

APPENDIX A
GLOSSARY OF TERMS

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 Information Circular.

"**Acquisition Proposal**" means, other than any transaction involving only the Company and/or one or more of its Subsidiaries, and other than the Arrangement, any proposal, offer, inquiry, or expression of interest to do, or public announcement of an intention to do, any of the following, whether written or oral, and whether in a single transaction or a series of related transactions, from any person or group of persons other than the Purchaser or a Subsidiary of the Purchaser:

(a) any take-over bid, tender offer, exchange offer or similar transaction that, if consummated, would result in a person or group of persons beneficially owning 20% or more of any class of voting or equity securities of the Company(in terms of number of securities or voting power calculated on a non-diluted basis);

(b) any amalgamation, plan of arrangement, share exchange, business combination, merger, consolidation, recapitalization, reorganization, or other similar transaction or series of related transactions involving the Company and/or one or more its Subsidiaries whose assets, revenues or earnings constitute, individually or in the aggregate, 20% or more of the consolidated assets, revenues or earnings of the Company or any liquidation, dissolution or winding-up of the Company and/or one or more of its Subsidiaries whose assets, revenues or earnings constitute, individually or in the aggregate, 20% or more of the consolidated assets, revenues or earnings of the Company;

(c) any direct or indirect sale (or any lease, licence or other arrangement having the same economic effect as a sale) of assets (including, for the avoidance of doubt, shares of subsidiaries) of the Company and/or one or more of its Subsidiaries, which assets represent 20% or more of the consolidated assets of the Company or contribute 20% or more of the consolidated revenues or earnings of the Company; or

(d) any direct or indirect sale, issuance or acquisition of the Company's Common Shares or any other voting or equity interests (or securities convertible into or exercisable for voting or equity securities) in the Company representing 20% or more of the issued and outstanding equity or voting interests (or rights or interests therein or thereto) of the Company or any direct or indirect sale, issuance or acquisition of voting or equity interests (or securities convertible into or exercisable for voting or equity securities) representing 20% or more of the issued and outstanding voting or equity interests in one or more of the Company's Subsidiaries whose assets, revenues or earnings constitute, individually or in the aggregate, 20% or more of the consolidated assets, revenues or earnings of the Company.

"**affiliate**" means an "affiliate" as defined in National Instrument 45-106 – *Prospectus Exemptions*.

"**allowable capital loss**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

"**ARC**" has the meaning ascribed to it under "*The Arrangement Agreement – Covenants – Covenants Regarding Regulatory Approvals and Consents of Clients*".

"**Arrangement**" means the proposed arrangement of the Company under Section 182 of the OBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement made as of June 14, 2019, among the Company and the Purchaser (including the schedules thereto) as it may be further amended, modified or supplemented from time to time in accordance with its terms, a copy of which is attached as Appendix C to this Information Circular.

"**Arrangement Resolution**" means the special resolution approving the Plan of Arrangement to be considered at the Meeting by the Shareholders entitled to vote thereon, substantially in the form set out in Appendix B to this Information Circular.

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement, required by the OBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in form and content satisfactory to the Company and the Purchaser, each acting reasonably.

"**Bank**" means Street Capital Bank of Canada.

"Bank Act" means the *Bank Act* (Canada).

"Bank Act Approvals" means the approval of the Minister of Finance (Canada) pursuant to Part VII of the Bank Act.

"**Beneficial Shareholder**" has the meaning ascribed to it under "*Information for Beneficial Shareholders of Securities*".

"**Board**" means the board of directors of the Company as constituted from time to time.

"**Board Recommendation**" means a statement that the Board, after consulting with outside legal counsel and financial advisors, has determined that the Arrangement is in the best interests of the Company and accordingly, recommends that the Shareholders vote in favour of the Arrangement Resolution.

"**Broadridge**" means Broadridge Investor Communication Solutions.

"**Business Day**" means any day of the year, other than a Saturday, a Sunday or a day on which major banks are closed for business in Toronto, Ontario.

"**Certificate of Arrangement**" means the certificate or other confirmation of filing giving effect to the Arrangement issued by the Director pursuant to Subsection 183(2) of the OBCA in respect of the Articles of Arrangement.

"**Change in Recommendation**" has the meaning ascribed to it under "*The Arrangement Agreement – Termination of the Arrangement Agreement*".

"CMHC" means Canada Mortgage and Housing Corporation.

"CMHC Approval" means the approval of the change of ownership of the Approved Lender in connection with the Arrangement by CMHC with no changes to the Bank's existing status as an Approved Lender or the rights and benefits arising therefrom.

"**Commissioner**" means the Commissioner of Competition appointed pursuant to Subsection 7(1) of the Competition Act or his designee.

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

"**Company**" means Street Capital Group Inc., a corporation existing under the laws of Ontario.

"**Company Securityholders**" means, collectively the Shareholders, the Optionholders, the holders of RSUs and the holders of DSUs.

"**Competition Act**" means the *Competition Act* (Canada).

"**Competition Act Clearance**" means that, in connection with the Arrangement, either (a) the Commissioner shall have issued an Advance Ruling Certificate under Section 102 of the Competition Act in respect of the Arrangement or (b) the Commissioner shall have issued a letter indicating that he does not, as of the date of the letter, intend to make an application under section 92 of the Competition Act in respect of the Arrangement (a "**no-action letter**") and the applicable waiting periods, including any extension thereof, under subsection 123(1) of the Competition Act shall have expired or have been waived in accordance with subsection 123(2) of the Competition Act or the obligation to provide a notification in accordance with Part IX of the Competition Act shall have been waived in accordance with paragraph 113(c) of the Competition Act.

"**Confidentiality Agreement**" means the confidentiality and non-disclosure agreement dated April 1, 2019 between the Company and RFA Capital Inc., among other parties.

"**Consideration**" means $0.68 in cash per Common Share, and "aggregate Consideration" means an amount equal to $0.68 multiplied by the number of Common Shares outstanding immediately prior to the Effective Time (including, for greater certainty, any Common Shares issuable upon the exercise of Options and the redemption of DSUs and cash payable on the redemption of RSUs in each case in the manner contemplated within the Arrangement Agreement).

"**Contract**" means any contract, agreement, franchise, lease, arrangement, commitment, understanding, joint venture, partnership or other right or obligation to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound or affected or to which any of their respective properties or assets is subject.

"**Court**" means the Ontario Superior Court of Justice (Commercial List), or other court as applicable.

"**CRA**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations*".

"**Demand for Payment**" has the meaning ascribed to it under "*Dissent Rights of Shareholders*".

"**Depositary**" means Computershare Investor Services Inc. or such other Person as the Company may appoint to act as depositary for the Common Shares in relation to the Arrangement, with the approval of the Purchaser, acting reasonably.

"**Director**" means the Director appointed pursuant to Section 278 of the OBCA.

"**Disclosure Letter**" means the letter dated the date of the Arrangement Agreement from the Company to the Purchaser delivered concurrently with the Arrangement Agreement.

"**Dissent Notice**" has the meaning ascribed to it under "*Dissent Rights of Shareholders*".

"**Dissent Rights**" has the meaning ascribed to it under "*Dissent Rights of Shareholders*".

"**Dissenting Shareholder**" has the meaning ascribed to it under "*Dissent Rights of Shareholders*".

"**Dissenting Shares**" has the meaning ascribed to it under "*Dissent Rights of Shareholders*".

"**DSU Plan**" means the Company's Amended and Restated Directors' Deferred Share Unit Plan dated as of November 7, 2013.

"**DSUs**" means the deferred share units issued pursuant to the DSU Plan.

"**Effective Date**" means the date upon which the Arrangement becomes effective, as set out in the Plan of Arrangement.

"**Effective Date Transaction Expenses**" means the list of Transaction Expenses to be paid on the Effective Date by the Purchaser.

"**Effective Time**" has the meaning ascribed thereto in the Plan of Arrangement.

"**Engagement Agreement**" has the meaning ascribed to it under "*The Arrangement – Fairness Opinion*".

"**Equity Commitment Letters**" means the agreements between the Purchaser and certain investors pursuant to which such investors have agreed to invest in the Purchaser to fund, among other things, an aggregate amount not less than the total Consideration and certain Transaction Expenses required to be paid by the Purchaser pursuant to the terms and conditions of the Arrangement Agreement.

"**Fairness Opinion**" means the opinion of BMO Nesbitt Burns Inc. to the effect that, as of the date of the opinion, the Consideration to be received by the Shareholders under the Arrangement is fair, from a financial point of view, to such Shareholders.

"**Final Order**" means the final order of the Court pursuant to Subsection 182(5) of the OBCA in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended, modified, supplemented or varied by the Court (with the consent of the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended (provided that any such amendment is acceptable to the Company and the Purchaser, each acting reasonably) on appeal.

"**Financial Advisor**" has the meaning ascribed to it under "*Summary – Recommendation of the Board*".

"**GAAP**" means Canadian generally accepted accounting principles applicable to public companies at the relevant time applied on a consistent basis, which, for greater certainty, includes IFRS.

"**Governmental Entity**" means:

(a) any sovereign nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission (including any securities commission), instrumentality, court or tribunal or any political subdivision thereof, or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency of any of the foregoing including, for greater certainty, the Minister of Finance, OSFI, CMHC and Canada Deposit Insurance Corporation;

(b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any court;

(c) any stock exchange; or

(d) any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing entities established to perform a duty or function on its behalf.

"**Holder**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations*".

"**IFRS**" means International Financial Reporting Standards.

"**Incentive Securities**" means, collectively, the DSUs, the RSUs and the Options.

"**Indemnified Person**" has the meaning ascribed to it under "*The Arrangement – Interests of Certain Persons in the Arrangement – Indemnification*".

"**Information Circular**" means this management information circular of the Company dated July 11, 2019, together with all appendices hereto.

"**Interim Order**" means the interim order of the Court pursuant to Subsection 182(5) of the OBCA in a form acceptable to the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended, modified, supplemented or varied by the Court with the consent of the Company and the Purchaser, each acting reasonably.

"**Intermediary**" has the meaning ascribed to it under "*Voting Securities of the Company and Principal Holders Thereof*".

"**Investment Canada Act**" means the *Investment Canada Act* (Canada).

"**Law**" or "**Laws**" means any applicable laws, including national, provincial, state, municipal and local laws, treaties, statutes, ordinances, judgments, decrees, injunctions, writs, certificates and orders, notices, by-laws, rules, regulations, ordinances, or other requirements, policies or instruments of any Governmental Entity having the force of law.

"**Letter of Transmittal**" means the letter of transmittal form to be delivered by the Company to registered holders of Common Shares.

"**Material Adverse Effect**" means, when used in respect of the Company, any one or more changes, effects, events, facts, developments, circumstances or occurrences, either individually or in the aggregate, that has or would reasonably be expected to have a material adverse effect on the financial condition, business affairs, operations or results of operations of the Company and its Subsidiaries, taken as a whole, other than any change, effect, event or occurrence:

(a) arising from or out of the negotiation, execution, announcement or performance of the Arrangement Agreement or the related disclosure by the Company or the Purchaser thereof;

(b) relating to general economic conditions or securities, financing, banking or capital markets generally or in Canada;

(c) relating to any changes in currency exchange rates, interest rates or inflation;

(d) affecting the Canadian industry in which the Company and its Subsidiaries operate;

(e) relating to a change in the market trading price or trading volume of securities of the Company;

(f) relating to any change in applicable generally accepted accounting principles, including IFRS;

(g) relating to any adoption, proposal, implementation or change in Laws or any interpretation thereof by any Governmental Entity;

(h) relating to any change in global, national or regional political conditions (including the commencement, occurrence or continuation of any strike, riot, lockout, outbreak of illness, war, armed hostilities, act of terrorism or facility takeover for emergency purposes) or any natural disaster;

(i) relating to failure in and of itself to meet any internal or public projections, forecasts, or estimates of revenue, loan originations or earnings;

(j) resulting from compliance with the terms of the Arrangement Agreement, including any change in the relationship of the Company and its Subsidiaries with its employees, lenders, suppliers or contractual counter parties that results from compliance with the terms of the Arrangement Agreement;

(k) arising from or out of any action taken by or omission of the Company or its Subsidiaries in accordance with the Arrangement Agreement or with the prior written consent or direction of the Purchaser (or any action not taken as a result of the failure of the Purchaser to consent to any action requiring the Purchaser's consent pursuant to Section 5.1 of the Arrangement Agreement); and

(l) resulting from any matter described in Schedule 1.1(1) of the Disclosure Letter;

provided that (i) the causes underlying such effect referred to in clause (e) and (i) may be taken into account when determining whether a Material Adverse Effect has occurred, and (ii) if an effect referred to in clause (b), (c), (d), (f), (g), or (h) above materially disproportionately adversely affects the Company and its Subsidiaries, taken as a whole, compared to the other participants in the industry in which the Company and its Subsidiaries operate, such effect may be taken into account when determining whether a Material Adverse Effect has occurred, but only to the extent of the disproportionate effect, and references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall be deemed not to be, illustrative or interpretive for the purpose of determining whether a "Material Adverse Effect" has occurred.

"**Meeting**" means the special meeting of Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

"**No Action Letter**" means written confirmation from the Commissioner that he does not, at that time, intend to make an application under Section 92 of the Competition Act.

"**Non-Resident Holder**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*".

"**Non-Resident Dissenting Shareholder**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Non-Resident Dissenting Shareholders*".

"**Notice of Application**" means the notice of application to the Court to obtain the Final Order.

"**Notice of Meeting**" means the notice of special meeting of Shareholders which accompanies this Information Circular.

"**Notifiable Transaction**" has the meaning ascribed to it under "*Certain Legal and Regulatory Matters – Required Regulatory Approvals – Competition Act Clearance*".

"**OBCA**" means the *Business Corporations Act* (Ontario).

"**Offer to Pay**" has the meaning ascribed to it under "*Dissent Rights of Shareholders*".

"**Optionholder**" means a holder of Options.

"**Option**" means an option to purchase one Common Share granted or governed under the Option Plan.

"**Option Plan**" means the Company's 1997 Stock Option Plan most recently amended and restated as of February 27, 2018.

"**Other Regulatory Approvals**" means Competition Act Clearance and CMHC Approval.

"**Outside Date**" means December 16, 2019, subject to the right of either party to postpone the Outside Date for up to two 45 day periods if the Required Regulatory Approvals have not been obtained and not been denied (or requested by a Governmental Entity to be withdrawn) by a non-appealable decision of a Governmental Entity, by giving written notice to the other party to such effect no later than 5:00 p.m. (Eastern time) on the date that is not less than 10 days prior to the original Outside Date (and a subsequent Outside Date, if applicable), or such later date as the parties may agree in writing; provided that notwithstanding the foregoing, a party shall not be permitted to postpone the Outside Date if the failure to obtain a Required Regulatory Approval is materially the result of such party's failure to perform its obligations under the Arrangement Agreement with respect to obtaining such Required Regulatory Approvals.

"**Parties**" means, collectively, the Company and the Purchaser, and "**Party**" means any one of them.

"**Person**" includes any individual, partnership, limited partnership, association, body corporate, organization, joint venture, trust, estate, trustee, executor, administrator, legal representative, government (including a Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form set out in Appendix D, subject to any amendments or variations to such plan made in accordance with the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Pre-Acquisition Reorganization**" has the meaning ascribed thereto under "*Arrangement Agreement – Covenants Regarding Pre-Acquisition Reorganization*".

"**Proceeding**" means any suit, claim, action, charge, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, audit, examination or known investigation commenced, brought, conducted or heard by or before, any court or other Governmental Entity.

"**Proposed Amendments**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations*".

"**Purchaser**" has the meaning ascribed to it under "*Information Circular – Introduction*".

"**Record Date**" has the meaning ascribed to it under "*Voting Securities of the Company and Principal Holders Thereof*".

"**Registered Shareholder**" means a registered holder of Common Shares.

"**Regulations**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations*".

"**Regulatory Commitment Letter**" means the letter dated the date of the Arrangement Agreement from the Purchaser, RFA Capital Inc. and RFA Mortgage Corporation, among other parties, to the Company delivered concurrently with the Arrangement Agreement.

"**Representatives**" has the meaning ascribed to it under "*The Arrangement Agreement – Covenants – Non-Solicitation*".

"**Required Regulatory Approvals**" means the Bank Act Approval and the Other Regulatory Approvals.

"**Resident Dissenting Shareholder**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Resident Dissenting Shareholders*".

"**Resident Holder**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*".

"**RFA**" means RFA Capital Inc.

"**RFA Guarantee**" means the guarantee dated June 14, 2019 granted by RFA in favour of the Company pursuant to which RFA guarantees the performance of all of the Purchaser's obligations under the Arrangement Agreement other than the funding of the Consideration.

"**Right to Match Period**" has the meaning ascribed to it under "*The Arrangement Agreement – Covenants – Right to Match*".

"**RSU Plan**" means the Company's RSU Plan dated as of February 27, 2018.

"**RSUs**" means the restricted share units issued pursuant to the Company's RSU Plan.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval available at www.sedar.com.

"**SEDI**" means the System for Electronic Disclosure by Insiders available at www.sedi.ca.

"**Shareholders**" means the registered and/or beneficial holders of the Common Shares, as the context requires.

"**Special Committee**" means the Strategic Planning Committee of the Board.

"**Subsidiary**" means a "subsidiary" as defined in National Instrument 45-106 − *Prospectus Exemptions*.

"**Superior Proposal**" means an unsolicited bona fide written Acquisition Proposal made by a third party to acquire, directly or indirectly, not less than all of the outstanding Common Shares or all or substantially all of the assets of the Company on a consolidated basis, that did not result from a breach of the Arrangement Agreement, is not subject to a due diligence, access or financing condition, and in respect of which any required financing to complete such Acquisition Proposal has been demonstrated to be available to the satisfaction of the Board of Directors, in its good faith judgment, after receipt of advice from its financial advisors and outside legal counsel, and that the Board of Directors (or any committee thereof) determines, in its good faith judgment, after receiving the advice of outside legal and financial advisors, (a) would reasonably be expected, if consummated in accordance with its terms (but without assuming away the risk of non-completion), to result in a transaction which is more favourable, from a financial point of view, to all of the Company's Shareholders taken as a whole, than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to the Arrangement Agreement), and (b) would reasonably be capable of completion without undue delay in accordance with its terms and would not reasonably be less capable of completion than the Arrangement, taking into account the person making such proposal and all financial, legal, regulatory, shareholder approval and other aspects of such Acquisition Proposal (including the conditions to such Acquisition Proposal) considered appropriate by the Board of Directors (or any committee thereof); and the failure to recommend such Acquisition Proposal to the Company's Shareholders would be inconsistent with the fiduciary duties of the Board of Directors under applicable Law.

"**Superior Proposal Notice**" has the meaning ascribed to it under "*The Arrangement Agreement – Covenants – Right to Match*".

"**Tax Act**" means the *Income Tax Act* (Canada).

"**taxable capital gain**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

"**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, unclaimed property, import or export, and including all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other person (excluding customary commercial agreements the primary subject of which is not Taxes) or as a result of being a transferee or successor in interest to any party.

"**Termination Payment**" has the meaning ascribed to it under "*The Arrangement Agreement – Termination Payments*".

"**Termination Payment Event**" has the meaning ascribed to it under "*The Arrangement Agreement – Termination Payments*".

"**Third Party Consents**" means certain consents or approvals required from third parties in respect of the completion of the Arrangement.

"**Transaction Expenses**" means certain transaction costs and expenses of the Company and the Bank to be paid on the Effective Date as contemplated by Section 2.10 of the Arrangement Agreement in an aggregate amount not to exceed approximately $8 million.

"**Transfer Agent**" means Computershare Investor Services Inc.

"**TSX**" means the Toronto Stock Exchange.

"**Voting Agreements**" means the voting agreements dated June 14, 2019 between the Purchaser and each of the directors and certain executive officers of the Company, and the voting agreement dated July 10, 2019 between the Purchaser and ICM Limited.

APPENDIX B
ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF STREET CAPITAL GROUP INC. ("SCGI") THAT:

1. The arrangement ("**Arrangement**") under section 182 of the OBCA, all as more particularly described and set forth in the plan of arrangement attached as Exhibit A to the management information circular of SCGI dated July 11, 2019 (as it may be amended from time to time in accordance with the Arrangement Agreement, the "**Plan of Arrangement**"), and all transactions contemplated thereby are approved and authorized.

2. The Plan of Arrangement and the completion of each of the steps described in the Plan of Arrangement (whether contemplated as part of the Plan of Arrangement or otherwise) are approved and authorized.

3. The arrangement agreement dated June 14, 2019 among SCGI and RFA Capital Holdings Inc. (as it may be amended from time to time, the "**Arrangement Agreement**") and all transactions contemplated therein, and the actions of the directors of SCGI in approving the Arrangement, the Plan of Arrangement and the Arrangement Agreement and the actions of the directors and officers of SCGI in executing and delivering the Arrangement Agreement and causing the performance by SCGI of its obligations thereunder, are approved and confirmed.

4. SCGI is authorized to apply for a final order from the Court to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended from time to time in accordance with the Arrangement Agreement).

5. Notwithstanding that this resolution has been duly passed by the shareholders of SCGI or that the Arrangement has been approved by the Court, the directors of SCGI are authorized, without further notice to, or approval of, the shareholders of SCGI (i) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement, and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and to revoke this resolution at any time prior to the Effective Time (as defined in the Arrangement Agreement).

6. Each officer or director of SCGI is authorized, on behalf of SCGI, to execute, with or without corporate seal, and, if appropriate, deliver for filing with the Director under the OBCA articles of arrangement and such other documents and instruments and do all other things as are necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action.

7. Each director and officer of SCGI is authorized to do all such acts and things and to execute and deliver all such documents as in such director's or officer's opinion may be necessary or desirable to complete the transactions hereby approved and authorized, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of any such act or thing.

8. All capitalized terms not defined above have the meanings given to them in the Arrangement Agreement.

APPENDIX C

ARRANGEMENT AGREEMENT

BETWEEN

RFA CAPITAL HOLDINGS INC.

- and -

STREET CAPITAL GROUP INC.

June 14, 2019

TABLE OF CONTENTS

ARRANGEMENT AGREEMENT

THIS AGREEMENT ("**Agreement**") made as of the 14th day of June , 2019.

AMONG:

RFA CAPITAL HOLDINGS INC., a corporation existing under the laws of Ontario

(hereinafter called "**Purchaser**")

– and –

STREET CAPITAL GROUP INC., a corporation existing under the laws of the Province of Ontario,

(hereinafter called "**SCGI**")

WHEREAS Purchaser wishes to acquire all of the issued and outstanding shares of SCGI by way of a statutory plan of arrangement under the provisions of the OBCA on the terms and subject to the conditions contained herein;

AND WHEREAS the board of directors of SCGI (the "**Board of Directors**") has unanimously determined, based upon, among other things, the recommendation of the Special Committee (as hereinafter defined) and consultation with its financial advisors, that the Consideration (as hereinafter defined) to be received by SCGI Shareholders (as hereinafter defined) pursuant to the Arrangement (as hereinafter defined) is fair, from a financial point of view, to SCGI Shareholders and it would be in the best interests of SCGI to enter into this Agreement and for the Board of Directors to recommend that SCGI Shareholders vote in favour of the Arrangement Resolution (as hereinafter defined);

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereby covenant and agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement (including the Schedules hereto), the following terms shall have the following meanings, and grammatical variations shall have the respective corresponding meanings:

"**Acquisition Proposal**" means, other than any transaction involving only SCGI and/or one or more of the SCGI Subsidiaries, and other than the Arrangement, any proposal, offer, inquiry, or expression of interest to do, or public announcement of an intention to do, any of the following,

whether written or oral, and whether in a single transaction or a series of related transactions, from any person or group of persons other than Purchaser or a Subsidiary of Purchaser:

(a) any take-over bid, tender offer, exchange offer or similar transaction that, if consummated, would result in a person or group of persons beneficially owning 20% or more of any class of voting or equity securities of SCGI (in terms of number of securities or voting power calculated on a non-diluted basis);

(b) any amalgamation, plan of arrangement, share exchange, business combination, merger, consolidation, recapitalization, reorganization, or other similar transaction or series of related transactions involving SCGI and/or one or more SCGI Subsidiaries whose assets, revenues or earnings constitute, individually or in the aggregate, 20% or more of the consolidated assets, revenues or earnings of SCGI or any liquidation, dissolution or winding-up of SCGI and/or one or more SCGI Subsidiaries whose assets, revenues or earnings constitute, individually or in the aggregate, 20% or more of the consolidated assets, revenues or earnings of SCGI;

(c) any direct or indirect sale (or any lease, licence or other arrangement having the same economic effect as a sale) of assets (including, for the avoidance of doubt, shares of subsidiaries) of SCGI and/or one or more SCGI Subsidiaries, which assets represent 20% or more of the consolidated assets of SCGI or contribute 20% or more of the consolidated revenues or earnings of SCGI; or

(d) any direct or indirect sale, issuance or acquisition of SCGI Shares or any other voting or equity interests (or securities convertible into or exercisable for voting or equity securities) in SCGI representing 20% or more of the issued and outstanding equity or voting interests (or rights or interests therein or thereto) of SCGI or any direct or indirect sale, issuance or acquisition of voting or equity interests (or securities convertible into or exercisable for voting or equity securities) representing 20% or more of the issued and outstanding voting or equity interests in one or more SCGI Subsidiaries whose assets, revenues or earnings constitute, individually or in the aggregate, 20% or more of the consolidated assets, revenues or earnings of SCGI;

"**Active SCGI Entities**" means any of SCGI, the Bank, SC Acquisitionco Ltd., and Street Capital Mortgage Corporation, both individually and collectively;

"**affiliate**" means an "affiliate" as defined in National Instrument 45-106 - *Prospectus Exemptions*;

"**Agreement**" means this agreement, including all schedules annexed hereto, together with the Disclosure Letter, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof;

"**Approved Lender**" means the "approved lender" designation granted to the Bank by CMHC in accordance with guidelines and requirements set out under the NHA and guidelines and policies set forth by CMHC in relation to such designation;

"**Arrangement**" means the arrangement of SCGI under section 182 of the OBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with this Agreement or the Plan of Arrangement or made at the direction of the Court in the Final Order with the consent of the parties, each acting reasonably;

"**Arrangement Resolution**" means the special resolution of SCGI Shareholders approving the Plan of Arrangement to be considered at the SCGI Shareholders Meeting, substantially in the form of Schedule B hereto, and any amendments or variations thereto made in accordance with the provisions of this Agreement or the Plan of Arrangement;

"**Articles of Arrangement**" means the articles of arrangement of SCGI in respect of the Arrangement required by the OBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to SCGI and Purchaser, each acting reasonably;

"**associate**" has the meanings ascribed thereto in the Securities Act;

"**Bank**" means Street Capital Bank of Canada;

"**Bank Act**" means the *Bank Act* (Canada);

"**Bank Act Application**" has the meaning set out in Section 5.2;

"**Bank Act Approvals**" means the approval of the Minister of Finance (Canada) pursuant to Part VII of the Bank Act;

"**Board of Directors**" has the meaning set out in the recitals;

"**Board Recommendation**" has the meaning set out in Section 2.4(d);

"**Borrower**" means, in respect of a Mortgage Loan, the person or persons who are liable for all or any part of the payments due under such Mortgage Loan, and includes a guarantor, covenantor, surety, successor in title (while obligated under such Mortgage Loan to make payment) or similar person with respect to such Mortgage Loan, and for greater certainty, any reference herein to "the Borrower" shall refer to any applicable Borrower, or, as applicable, all such Borrowers;

"**Business Day**" means any day (other than a Saturday or Sunday) on which commercial banks located in Toronto, Ontario are open for the conduct of business;

"**Canada Guaranty**" means Canada Guaranty Mortgage Insurance Company;

"**Canada Housing Trust**" means the special purpose trust established for the purposes of issuing Canada Mortgage Bonds pursuant to the CMB Program;

"**Certificate of Arrangement**" means the certificate of arrangement to be issued by the Director pursuant to Subsection 183(2) of the OBCA in respect of the Articles of Arrangement;

"**Change in Recommendation**" means (a) the withdrawal, modification or qualification of the Board of Directors, or proposal of the Board of Directors to publicly withdraw, modify or qualify, in any manner materially adverse to Purchaser, the approval or recommendation of the Board of Directors of this Agreement or the Arrangement or (b) the approval or recommendation of the Board of Directors, or proposal of the Board of Directors to publicly approve or recommend, or takes no position or remains neutral with respect to, any Acquisition Proposal, it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal following the public announcement of such Acquisition Proposal shall not be considered a Change in Recommendation during the five Business Days following the public announcement or disclosure thereof (or prior to the second Business Day preceding the date of the SCGI Shareholders Meeting, if sooner), or (c) the Board of Directors shall have failed to publicly unanimously reaffirm its recommendation of this Agreement and the Arrangement, after an Acquisition Proposal shall have been made to the SCGI Shareholders, within five days of the written request by Purchaser;

"**CMB**" means a Canada Mortgage Bond issued by Canada Housing Trust (or any other person established by CMHC) under the CMB Program;

"**CMB Program**" means the program established by CMHC for the issuance of CMB, as amended from time to time;

"**CMHC**" means Canada Mortgage and Housing Corporation;

"**CMHC Approval**" means the approval of the change of ownership of the Approved Lender in connection with the Arrangement by CMHC with no changes to the Bank's existing status as an Approved Lender or the rights and benefits arising therefrom;

"**Collective Agreements**" means collective agreements and related documents including benefit agreements, letters of understanding, letters of intent and other written communications with bargaining agents, trade unions, councils of trade unions, employee bargaining agencies, affiliated bargaining agents or employee associations by which SCGI or any SCGI Subsidiary is bound;

"**Commissioner**" means the Commissioner of Competition appointed under the Competition Act or his designee;

"**Competition Act**" means the *Competition Act* (Canada) and the regulations made thereunder;

"**Competition Act Clearance**" means that, in connection with the Arrangement, either (a) the Commissioner shall have issued an Advance Ruling Certificate under Section 102 of the Competition Act in respect of the Arrangement or (b) the Commissioner shall have issued a letter indicating that he does not, as of the date of the letter, intend to make an application under section 92 of the Competition Act in respect of the Arrangement (a "**no-action letter**") and the applicable waiting periods, including any extension thereof, under subsection 123(1) of the Competition Act shall have expired or have been waived in accordance with subsection 123(2) of the Competition Act or the obligation to provide a notification in accordance with Part IX of the Competition Act shall have been waived in accordance with paragraph 113(c) of the Competition Act;

"**Confidentiality Agreement**" means the confidentiality and non-disclosure agreement dated April 1, 2019 between, among others, SCGI and RFA Capital Inc.;

"**Consideration**" means $0.68 in cash per SCGI Share, and "aggregate Consideration" means an amount equal to $0.68 multiplied by the number of SCGI Shares outstanding immediately prior to the Effective Time (including, for greater certainty, any SCGI Shares issuable upon the exercise of Options and the redemption of DSUs and cash payable on the redemption of RSUs and DSUs in each case in the manner contemplated in Section 2.6);

"**Contract**" means any contract, agreement, franchise, lease, arrangement, commitment, understanding, joint venture, partnership or other right or obligation to which SCGI or any SCGI Subsidiary is a party or by which SCGI or any SCGI Subsidiary is bound or affected or to which any of their respective properties or assets is subject;

"**Court**" means Ontario Superior Court of Justice (Commercial List);

"**Credit and Collection Policy**" means the standard collection policies of the Bank or mortgage servicers retained by the Bank to service mortgages originated or acquired by the Bank as of the date hereof;

"**Data Room Information**" means the documents and other information made available to Purchaser and its Representatives in the electronic data room (the "**Data Room**") hosted under the project name "Project Turnpike" as of 9:15 a.m. (Toronto time) on the date of this Agreement;

"**Depositary**" means an entity chosen by the parties to act as depositary for the Arrangement, for the purpose of, among other things, exchanging certificates representing SCGI Shares for the Consideration to be received by SCGI Shareholders in connection with the Arrangement;

"**Director**" means the Director appointed pursuant to Section 278 of the OBCA;

"**Disclosure Letter**" means the letter dated the date of this Agreement from SCGI to Purchaser delivered concurrently with this Agreement;

"**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement;

"**DSUs**" means the deferred share units issued pursuant to SCGI's Amended and Restated Directors' Deferred Share Unit Plan dated as of November 7, 2013;

"**Effective Date**" has the meaning ascribed thereto in the Plan of Arrangement;

"**Effective Time**" has the meaning ascribed thereto in the Plan of Arrangement;

"**Encumbrance**" includes any hypothec, mortgage, pledge, assignment, charge, lien, claim, security interest, adverse interest, adverse claim or encumbrance;

"**Equity Commitment Letters**" means the agreements between Purchaser and certain investors pursuant to which such investors have agreed to invest in Purchaser an aggregate amount not less

than the total Consideration and Transaction Expenses required to be paid by Purchaser pursuant to the terms and conditions of this Agreement;

"**Fairness Opinion**" means the opinion of the Financial Advisor to the effect that, as of the date of this Agreement, the Consideration to be received by SCGI Shareholders is fair, from a financial point of view, to such holders (other than Purchaser and its affiliates);

"**Final Order**" means the final order of the Court pursuant to section 182(5) of the OBCA approving the Arrangement, as such order may be amended by the Court (with the consent of the parties, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal;

"**Financial Advisor**" means BMO Nesbitt Burns Inc.;

"**Genworth**" means Genworth Financial Mortgage Insurance Company of Canada;

"**Governmental Entity**" means:

(a) any sovereign nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission (including any securities commission), instrumentality, court or tribunal or any political subdivision thereof, or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency of any of the foregoing including, for greater certainty, the Minister of Finance, OSFI, CMHC and Canada Deposit Insurance Corporation;

(b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any court;

(c) any stock exchange; or

(d) any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing entities established to perform a duty or function on its behalf;

"**Guarantee**" means the guarantee dated as of the date of this Agreement granted by RFA Capital Inc. in favour of SCGI pursuant to which RFA Capital Inc. guarantees the performance of all of the Purchaser's obligations under this Agreement other than the funding of the Consideration;

"**IFRS**" means International Financial Reporting Standards;

"**Information Circular**" has the meaning set out in Section 2.4(a);

"**Indemnified Person**" has the meaning set out in Section 7.9;

"**Intellectual Property**" means domestic and foreign: (i) patents, applications for patents and reissues, re-examinations, divisionals, continuations, renewals, extensions and continuations-in-part of patents or patent applications; (ii) proprietary and non-public business information,

including inventions (whether patentable or not), invention disclosures, improvements, discoveries, trade secrets, confidential information, know-how, methods, processes, designs, technology, technical data, schematics, formulae and customer lists, and documentation relating to any of the foregoing; (iii) copyrights, copyright registrations and applications for copyright registration; (iv) integrated circuit, topographies, integrated circuit topography registrations and applications, mask works, mask work registrations and applications for mask work registrations; (v) industrial designs, industrial designation registrations and applications, designs, design registrations and design registration applications; (vi) trade names, business names, corporate names, domain names, website names and world wide web addresses, common law trade-marks, trade-mark registrations, trade mark applications, trade dress and logos, and the goodwill associated with any of the foregoing; (vii) Software; and (viii) any other intellectual property and industrial property;

"**Interim Order**" means the interim order of the Court made pursuant to section 182(5) of the OBCA providing for, among other things, the calling and holding of the SCGI Shareholders Meeting, as the same may be amended, supplemented or varied by the Court (with the consent of the parties, each acting reasonably);

"**Investment Canada Act**" means the *Investment Canada Act* (Canada) and the regulations made thereunder;

"**IT Systems**" means all computer hardware, devices, peripheral equipment, Software and firmware, databases, technology infrastructure and other information technology systems and services that are used by or accessible to SCGI or a SCGI Subsidiary to operate their business and to receive, store, process or transmit data;

"**Latest Mailing Time**" means 11:59 pm on July 22, 2019;

"**Laws**" means any applicable laws, including national, provincial, state, municipal and local laws, treaties, statutes, ordinances, judgments, decrees, injunctions, writs, certificates and orders, notices, by-laws, rules, regulations, ordinances, or other requirements, policies or instruments of any Governmental Entity having the force of law;

"**Material Adverse Effect**" means, when used in respect of SCGI, any one or more changes, effects, events, facts, developments, circumstances or occurrences, either individually or in the aggregate, that has or would reasonably be expected to have a material adverse effect on the financial condition, business affairs, operations or results of operations of the SCGI Group, taken as a whole, other than any change, effect, event or occurrence:

(a) arising from or out of the negotiation, execution, announcement or performance of this Agreement or the related disclosure by SCGI or Purchaser thereof;

(b) relating to general economic conditions or securities, financing, banking or capital markets generally or in Canada;

(c) relating to any changes in currency exchange rates, interest rates or inflation;

(d) affecting the Canadian industry in which SCGI and the SCGI Subsidiaries operate;

(e) relating to a change in the market trading price or trading volume of securities of SCGI;

(f) relating to any change in applicable generally accepted accounting principles, including IFRS;

(g) relating to any adoption, proposal, implementation or change in Laws or any interpretation thereof by any Governmental Entity;

(h) relating to any change in global, national or regional political conditions (including the commencement, occurrence or continuation of any strike, riot, lockout, outbreak of illness, war, armed hostilities, act of terrorism or facility takeover for emergency purposes) or any natural disaster;

(i) relating to failure in and of itself to meet any internal or public projections, forecasts, or estimates of revenue, loan originations or earnings;

(j) resulting from compliance with the terms of this Agreement, including any change in the relationship of SCGI and the SCGI Subsidiaries with its employees, lenders, suppliers or contractual counter parties that results from compliance with the terms of this Agreement;

(k) arising from or out of any action taken by or omission of SCGI or the SCGI Subsidiaries in accordance with this Agreement or with the prior written consent or direction of Purchaser (or any action not taken as a result of the failure of Purchaser to consent to any action requiring Purchaser's consent pursuant to Section 5.1); and

(l) resulting from any matter described in Schedule 1.1(1) of the Disclosure Letter;

provided that (i) the causes underlying such effect referred to in clause (e) and (i) may be taken into account when determining whether a Material Adverse Effect has occurred, and (ii) if an effect referred to in clause (b), (c), (d), (f), (g), or (h) above materially disproportionately adversely affects the SCGI Group, taken as a whole, compared to the other participants in the industry in which the SCGI Group operate, such effect may be taken into account when determining whether a Material Adverse Effect has occurred, but only to the extent of the disproportionate effect, and references in certain sections of this Agreement to dollar amounts are not intended to be, and shall be deemed not to be, illustrative or interpretive for the purpose of determining whether a "Material Adverse Effect" has occurred;

"**Material Contracts**" means any Contract (a) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect in respect of SCGI; (b) under which SCGI or any SCGI Subsidiary has directly or indirectly guaranteed any liabilities or obligations of a third party (other than ordinary course endorsements for collection) in excess of $500,000; (c) relating to indebtedness for borrowed money in excess of $500,000, whether incurred, assumed, guaranteed or secured by any asset, but excluding any deposits in the form of GICs issued by the Bank or securitization liabilities; (d) providing for the establishment, investment in, organization or formation of any joint ventures or partnerships to which any Active SCGI Entity is a party; (e) under which SCGI or any SCGI Subsidiary is obligated to

make or expects to receive payments in excess of $500,000 over the remaining term of such Contract; (f) that limits or restricts SCGI or any SCGI Subsidiary in any material respect from engaging in any line of business or from carrying on business in any geographic area or that creates an exclusive dealing arrangement or right of first offer or refusal; (g) is a mortgage servicing, mortgage administration, mortgage purchase agreement, mortgage subservicing agreement, mortgage portfolio insurance master policy or any similar agreement; (h) that is a lease or agreement under which any member of the SCGI Group is lessor of or permits any third party to hold or operate any material tangible property, owned or controlled by a member of the SCGI Group; (i) where Intellectual Property material to the business of the SCGI Group is licensed to third parties or licensed by a member of the SCGI Group (other than any "off the shelf" software or software available on a "software as a service" basis); (j) under which SCGI or any SCGI Subsidiary is obligated to make or expects to receive payments, or may incur liabilities or obligations, in excess of $250,000 over the remaining term of such Contract and that provides for "most favored nations" terms; (k) that is a financial risk management, hedging or similar Contract; or (l) that is a deposit agreement with a deposit broker whose aggregate deposit balances with the Bank account for more than 10% of the Bank's total deposits as of the date of this Agreement;

"**material fact**" and "**material change**" have the respective meanings ascribed thereto in the Securities Act;

"**Meeting Deadline**" means September 23, 2019;

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"**Minister of Finance**" means the Department of Finance (Canada) together with the office of the Minister of Finance (Canada);

"**misrepresentation**" has the meaning ascribed thereto in the Securities Act;

"**Mortgage Insurance**" means, in respect of a Mortgage Loan, an insurance policy that provides insurance to the lender under such Mortgage Loan against loss caused by a default on the part of a borrower thereunder but excluding, for clarity, creditors insurance relating to the death, disability, bodily injury to, illness of or involuntary unemployment of the borrower or a guarantor;

"**Mortgage Loan**" means a mortgage, charge or hypothec on real or immovable property, including all obligations secured thereby, all monies payable under or with respect to such mortgage, charge or hypothec (including on account of the loan advanced or to be advanced thereunder) and all other rights and benefits of the mortgage, charge or hypothec and under any and all documents, instruments and agreements between the mortgagor and the mortgagee, as those documents, instruments and agreements may be amended, modified or supplemented from time to time.

"**Mortgage Loan File**" means, with respect to any Mortgage Loan, (i) the original fully executed copies (or if originals are not in the possession or control of the SCGI Group, electronic copies thereof) of all documents evidencing and/or securing the Mortgage Loan, including all Related Security (together with evidence of registration with respect thereto in any applicable real or

personal property registry), any promissory note or collateral mortgage bond secured by the mortgage, registered standard charge or mortgage standard charge terms and the registered physical or electronic form of the registered mortgage securing such Mortgage Loan and bearing a certificate of registration from the applicable land registry office, land titles office or similar place of public record, (ii) a copy of the original credit application and/or commitment letter (or if originals are not in the possession or control of the SCGI Group, copies thereof) fully executed by the borrower and copies of all other information obtained by or on behalf of the SCGI Group in connection with the origination and servicing of the Mortgage Loan, including personal information consents from each individual borrower, all material correspondence and notes of conversations with the borrower relating to the servicing of the Mortgage Loan and all underwriting materials relating to the Mortgage Loan, including associated underwriter notes, (iii) a title insurance policy and/or solicitor's report on title, together with the survey (if any) relied upon by the solicitor in issuing his or her report or such title insurance company, as applicable (or evidence of title insurance endorsement for survey exception), obtained in connection with the initial advance of the Mortgage Loan, (iv) the most recent appraisals of the underlying real property obtained by or on behalf of the SCGI Group, if any, (v) the insurance policy or certificate of insurance evidencing the Borrower's insurance against fire and other standard risks showing a member of the SCGI Group (or its custodian) as first mortgagee and loss payee, as applicable, (vi) any environmental or physical reports obtained in connection with the underlying real property, (vii) original or copy of any subordination, standstill or other intercreditor agreement relating to such Mortgage Loan, and (viii) all material information regarding the repayment history of the Mortgage Loan, including information relating to all advances made to the borrower, all payments made by the borrower, the timing of all advances and payments, the interest charged to the borrower throughout the life of the loan, all amendments or modifications (including assumption agreements) or waivers pursuant to which the terms of such Mortgage Loan have been amended, modified or waived and any and all other documents (including all electronic documents) the SCGI Group is required to keep on file relating to such Mortgage Loan and the Related Security;

"**NHA**" means the *National Housing Act* (Canada);

"**OBCA**" means the *Business Corporations Act* (Ontario);

"**Option**" means an option to purchase one SCGI Share granted or governed under the Option Plan;

"**Option Plan**" means SCGI's 1997 Stock Option Plan most recently amended and restated as of February 27, 2018;

"**ordinary course of business**", or any similar reference, means, with respect to an action taken by a person, that such action is taken in the ordinary course of activities, business and operations of such person, consistent with past practices of the person;

"**Origination Policy**" means the mortgage underwriting guidelines of the Bank as amended from time to time;

"**OSFI**" means the Superintendent of Financial Institutions Canada;

"**Other Regulatory Approvals**" means Competition Act Clearance and CMHC Approval;

"**Outside Date**" means December 16, 2019, subject to the right of either party to postpone the Outside Date for up to two 45 day periods if the Required Regulatory Approvals have not been obtained and not been denied (or have not been requested by a Governmental Entity to be withdrawn) by a non-appealable decision of a Governmental Entity, by giving written notice to the other party to such effect no later than 5:00 p.m. (Eastern time) on the date that is not less than 10 days prior to the original Outside Date (and a subsequent Outside Date, if applicable), or such later date as the parties may agree in writing; provided that notwithstanding the foregoing, a party shall not be permitted to postpone the Outside Date if the failure to obtain a Required Regulatory Approval is materially the result of such party's failure to perform its obligations under this Agreement with respect to obtaining such Required Regulatory Approvals;

"**party**" means a party to this Agreement, unless the context otherwise requires;

"**Permitted Encumbrances**" means, as of any particular time, in respect of SCGI or any of the SCGI Subsidiaries, any one or more of the following: (a) the reservations, limitations, provisos and conditions expressed in the original grant from the Crown and any statutory exceptions to title, (b) undetermined or inchoate or statutory liens, charges or privileges of contractors, subcontractors, mechanics, suppliers, materialmen, carriers and others in respect of the construction, maintenance, repair or operation of real or personal property, (c) easements, servitudes, encroachments, restrictions, restrictive covenants, party wall agreements, rights of way, licenses, permits and other similar rights in real property (including easements, rights of way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables), (d) liens for Taxes not yet due and payable, (e) liens for Taxes being contested in good faith, (f) zoning and building by-laws and ordinances, regulations made by public authorities and other restrictions affecting or controlling the use, marketability or development of real property, (g) agreements with any municipal, provincial or federal governments or authorities and any public utilities or private suppliers or services, including subdivision agreements, development agreements, site control agreements, engineering, grading or landscaping agreements and similar agreements, (h) such other imperfections or irregularities of title or Encumbrance that, in each case, do not materially affect the use of the properties or assets subject thereto or affected thereby or otherwise materially impair business operations at such properties, and (i) those Encumbrances listed in Schedule 1.1(3) of the Disclosure Letter;

"**person**" includes an individual, general partnership, limited partnership, corporation, company, limited liability company, body corporate (with or without share capital), joint venture, unincorporated organization, other form of business organization, syndicate, firm, sole proprietor, trust, trustee, executor, administrator or other legal representative;

"**Personal Information**" means information about an identifiable individual and includes any information that constitutes personal information within the meaning of one or more Privacy Laws;

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form of Schedule A hereto, and any amendments or variations thereto made in accordance with this Agreement or the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior consent of SCGI and Purchaser, each acting reasonably;

"**Policies**" means, collectively, the Credit and Collection Policy and the Origination Policy;

"**Pre-Acquisition Reorganization**" has the meaning set out in Section 5.6;

"**Privacy Law**" means the *Personal Information Protection and Electronic Documents Act* (Canada), the *Personal Information Protection Act* (British Columbia), the *Personal Information Protection Act* (Alberta), the *Act respecting the protection of personal information in the private sector* (Quebec) and any comparable Law of any other province or territory of Canada;

"**Purchaser**" has the meaning set out in the preamble;

"**Regulatory Commitment Letter**" means the letter agreement dated the date of this Agreement between, among others, Purchaser, RFA Capital Inc., RFA Mortgage Corporation and SCGI delivered concurrently with this Agreement;

"**Regulatory Communications**" has the meaning set out in Section 5.2(b);

"**Related Property**" means, with respect to each Mortgage Loan, the real or immovable property, as applicable, mortgaged, charged or hypothecated pursuant to such Mortgage Loan, including all fixtures attached thereto;

"**Related Security**" means, with respect to any Mortgage Loan, (i) all Encumbrances that, from time to time, secure or purport to secure payment of any amounts payable pursuant to the Mortgage Loan, including all assignments of rent and leases and other security agreements and any defeasance collateral, (ii) all guarantees, indemnities, letters of credit, insurance policies (including all property damage and extended coverage insurance policies, mortgage impairment insurance policies, mortgage insurance, creditors' insurance and title insurance policies, and all certificates and evidence of the same), and all payments and proceeds made under and all other rights under any such guarantee, indemnity or insurance policy, all premium refunds in respect of all insurance policies to the extent payable to the lender of the Mortgage Loan, and all other agreements or arrangements of whatsoever character from time to time evidencing, supporting or securing payment of the Mortgage Loan, (iii) the related Mortgage Loan File, (iv) all realty tax and other reserves, escrow accounts (or ledger accounts) or security held with respect to the Mortgage Loan and all amounts on deposit therein and interest earned thereon, and (v) all proceeds of or relating to the foregoing, including to the Mortgage Loan;

"**Representative**" means, in respect of a person, its directors, officers, employees, agents and other representatives (including any financial, legal or other advisors);

"**Required Regulatory Approvals**" means the Bank Act Approval and the Other Regulatory Approvals;

"**Right to Match Period**" has the meaning set out in Section 7.4(a)(iv);

"**RSUs**" means the restricted share units issued pursuant to SCGI's RSU Plan dated as of February 27, 2018;

"**SCGI**" has the meaning set out in the preamble;

"**SCGI Group**" means SCGI and the SCGI Subsidiaries;

"**SCGI Public Documents**" has the meaning set out in Section 6 of Schedule C;

"**SCGI Securityholders**" means, collectively, the holders of SCGI Shares, Options, RSUs and DSUs;

"**SCGI Shareholder Approval**" has the meaning set out in Section 2.2(b);

"**SCGI Shareholders**" means the holders of SCGI Shares;

"**SCGI Shareholders Meeting**" means the special meeting of SCGI Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider and, if thought advisable, approve the Arrangement Resolution;

"**SCGI Shares**" means the common shares in the capital of SCGI, including those common shares issued upon the conversion, exchange, redemption or exercise of any DSUs or Options and "**SCGI Share**" means any one common share of SCGI;

"**SCGI Subsidiaries**" means the Subsidiaries of SCGI, including the Bank;

"**Securities Act**" means the *Securities Act* (Ontario) and the rules, regulations and published policies made thereunder;

"**Securities Laws**" means, collectively, the Securities Act and all other applicable provincial securities laws, rules and regulations thereunder in Canada;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval;

"**Software**" means computer software and programs (both source code and object code form), all proprietary rights in the computer software and programs and all documentation and other materials related to the computer software and programs, excluding any "off the shelf" software or software available on a "software as a service" basis;

"**Special Committee**" means the Strategic Planning Committee of the Board of Directors;

"**Subsidiary**" means a "subsidiary" as defined in National Instrument 45-106 − *Prospectus Exemptions*;

"**Superior Proposal**" means an unsolicited *bona fide* written Acquisition Proposal made by any person (other than a director or officer of SCGI or any of such person's affiliates or associates) to acquire, directly or indirectly, not less than all of the outstanding SCGI Shares or all or substantially all of the assets of SCGI on a consolidated basis, that did not result from a breach of Section 7.1, is not subject to a due diligence, access or financing condition, and in respect of which any required financing to complete such Acquisition Proposal has been demonstrated to be available to the satisfaction of the Board of Directors, in its good faith judgment, after receipt of advice from its financial advisors and outside legal counsel, and that the Board of Directors (or any committee thereof) determines, in its good faith judgment, after receiving the advice of outside legal and financial advisors, (a) would reasonably be expected, if consummated in accordance with its terms (but without assuming away the risk of non-completion), to result in a transaction which is more favourable, from a financial point of view, to all SCGI Shareholders

taken as a whole, than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by Purchaser pursuant to Section 7.5(a)), and (b) would reasonably be capable of completion without undue delay in accordance with its terms and would not reasonably be less capable of completion than the Arrangement, taking into account the person making such proposal and all financial, legal, regulatory, shareholder approval and other aspects of such Acquisition Proposal (including the conditions to such Acquisition Proposal) considered appropriate by the Board of Directors (or any committee thereof); and after consultation with its outside legal counsel, that the failure to recommend such Acquisition Proposal to the SCGI Shareholders would be inconsistent with the fiduciary duties of the Board of Directors under applicable Law;

"**Superior Proposal Notice**" has the meaning set out in Section 7.4(a)(iii);

"**Tax Act**" means the *Income Tax Act* (Canada) and regulations made thereunder, as now in effect and as they may be amended from time to time prior to the Effective Time;

"**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, unclaimed property, import or export, and including all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other person (excluding customary commercial agreements the primary subject of which is not Taxes) or as a result of being a transferee or successor in interest to any party;

"**Tax Returns**" means any and all returns, reports, declarations, claims for refunds, elections, notices, forms, designations, filings, and statements filed or required to be filed in respect of Taxes, including any amendments thereof;

"**Termination Payment**" has the meaning set out in Section 8.2(a);

"**Termination Payment Event**" has the meaning set out in Section 8.2(a);

"**Third Party Consents**" means those consents or approvals required from any third party in respect of the completion of the Arrangement that are set out in Schedule C.11 to the Disclosure Letter;

"**Transaction Expenses**" means costs and expenses of SCGI and the Bank of the types described in Schedule 1.1(4) of the Disclosure Letter to be paid on the Effective Date as contemplated by Section 2.10 in an aggregate amount not to exceed $93,000,000 less the aggregate Consideration;

"**Transaction Personal Information**" has the meaning set out in Section 9.9;

"**TSX**" means the Toronto Stock Exchange; and

"**Voting Agreements**" means the voting agreements between Purchaser and each of the following SCGI Shareholders who collectively own or control an aggregate of 16,733,578 issued and outstanding SCGI Shares: (i) the directors of SCGI, (ii) each of the following officers of SCGI: Marissa Lauder, Greg Parker, Adam Levy, Gary Taylor, Caspar Sinnige and Alfonso Casciato.

1.2 Construction and Interpretation

In this Agreement and the Disclosure Letter, unless otherwise expressly stated or the context otherwise requires:

(a) references to "herein", "hereby", "hereunder", "hereof" and similar expressions are references to this Agreement and not to any particular Section of or Schedule to this Agreement;

(b) references to a "Section" or a "Schedule" are references to a Section of or Schedule to this Agreement;

(c) words importing the singular shall include the plural and vice versa, and words importing gender shall include all genders;

(d) the use of headings is for convenience of reference only and shall not affect the construction or interpretation hereof;

(e) references to any legislation or to any provision of any legislation shall include any legislative provision substituted therefor and all regulations, rules and interpretations issued thereunder or pursuant thereto, in each case as the same may have been or may hereafter be amended or re-enacted from time to time;

(f) references to any agreement or document shall be to such agreement or document (together with all schedules and exhibits thereto), as it may have been or may hereafter be amended, supplemented, replaced or restated from time to time;

(g) wherever the term "includes" or "including" is used, it shall be deemed to mean "includes, without limitation" or "including, without limitation", respectively;

(h) references to the knowledge of SCGI or the Bank means the actual knowledge of Duncan Hannay, Marissa Lauder, Adam Levy, Greg Parker, Gary Taylor or Caspar Sinnige, after reasonable inquiry;

(i) time is of the essence in the performance of the parties' respective obligations; and

(j) unless otherwise specified, time periods within or following which any payment is to be made or act is to be done, shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

1.3 Currency

Unless otherwise indicated, all dollar amounts referred to in this Agreement are expressed in Canadian dollars.

1.4 Schedules

The Schedules to this Agreement, as listed below, are an integral part of this Agreement:

Schedule A - Plan of Arrangement

Schedule B - Arrangement Resolution

Schedule C - Representations and Warranties of SCGI

Schedule D - Representations and Warranties of Purchaser

ARTICLE 2
THE ARRANGEMENT

2.1 The Arrangement

SCGI and Purchaser agree that the Arrangement will be implemented in accordance with and subject to the terms and conditions of this Agreement and the Plan of Arrangement.

2.2 Interim Order

SCGI shall, as soon as reasonably practicable after the date hereof, apply in a manner acceptable to Purchaser, acting reasonably, pursuant to section 182 of the OBCA and, in cooperation with Purchaser, prepare, file and diligently pursue an application for the Interim Order, which shall provide, among other things:

(a) for the class of persons to whom notice is to be provided in respect of the Arrangement and the SCGI Shareholders Meeting and for the manner in which such notice is to be provided;

(b) that the requisite approval for the Arrangement Resolution shall be (i) not less than two-thirds of the votes cast on the Arrangement Resolution by the SCGI Shareholders present in person or represented by proxy at the SCGI Shareholders Meeting, and (ii) a simple majority of the votes cast on the Arrangement Resolution by the SCGI Shareholders present in person or represented by proxy at the SCGI Shareholders Meeting, excluding votes cast by holders of SCGI Shares that are required to be excluded pursuant to Section 8.1(2) of MI 61-101, in each case with each SCGI Share entitling the holder thereof to one vote on the Arrangement Resolution (collectively, "**SCGI Shareholder Approval**");

(c) that, in all other respects, the terms, restrictions and conditions of SCGI's articles and by-laws as in effect as of the date hereof, including quorum requirements and all other matters, shall apply in respect of the SCGI Shareholders Meeting;

(d) for the grant of the Dissent Rights to SCGI Shareholders;

(e) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;

(f) that the SCGI Shareholders Meeting may be adjourned or postponed from time to time by SCGI in accordance with the terms of this Agreement without the need for additional approval of the Court;

(g) confirmation of the record date for the purposes of determining the SCGI Shareholders entitled to receive material and vote at the SCGI Shareholders Meeting in accordance with the Interim Order;

(h) that the record date for SCGI Shareholders entitled to notice of, and to vote at, the SCGI Shareholders Meeting will not change in respect of any adjournment(s) or postponement(s) of the SCGI Shareholders Meeting, and

(i) for such other matters as Purchaser or SCGI may reasonably require.

2.3 SCGI Shareholders Meeting

Subject to the terms of this Agreement:

(a) SCGI agrees to convene and conduct the SCGI Shareholders Meeting in accordance with the Interim Order, SCGI's articles and by-laws as in effect on the date hereof and applicable Laws as soon as reasonably practicable, and in any event on or before the Meeting Deadline to vote upon the Arrangement and any other matters as may be properly brought before the SCGI Shareholders Meeting;

(b) provided the Board of Directors has not made a Change in Recommendation, except as required for quorum purposes or for adjournments for not more than 10 Business Days in the aggregate for the purposes of attempting to solicit proxies to obtain the requisite approval of the Arrangement Resolution, SCGI shall not adjourn (except as contemplated by Sections 7.5(e) or 7.7 or as required by applicable Laws or a Governmental Entity), postpone or cancel (or propose or permit the adjournment (except as required by applicable Laws or a Governmental Entity), postponement or cancellation of) the SCGI Shareholders Meeting without Purchaser's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned;

(c) SCGI shall provide Purchaser upon request with copies of or access to information regarding the SCGI Shareholders Meeting generated by any proxy solicitation services firm retained by SCGI;

(d) SCGI shall consult with Purchaser in fixing the date of the SCGI Shareholders Meeting, give notice to Purchaser of the SCGI Shareholders Meeting and allow Purchaser, its Representatives and legal counsel to attend the SCGI Shareholders Meeting;

(e) SCGI shall, at the reasonable request of Purchaser from time to time, provide Purchaser with a list (in both written and electronic form) of the: (i) registered SCGI Shareholders, together with their addresses and respective holdings of SCGI Shares; (ii) names, addresses and holdings of all persons owning securities which entitle the holder to subscribe for or otherwise acquire SCGI Shares; (iii) participants and book-based nominee registrants such as CDS & Co., CEDE & Co. and DTC, and (iv) non-objecting beneficial owners of SCGI Shares, together with their addresses and respective holdings of SCGI Shares, all as of a date that is as close as reasonably practicable prior to the date of delivery of such lists and shall from time to time request that its registrar and transfer agent furnish Purchaser with such additional information, including updated or additional lists of SCGI Shareholders and lists of securities positions and other assistance as Purchaser may reasonably request;

(f) SCGI will advise Purchaser as Purchaser may reasonably request, and at least on a daily basis on each of the last ten Business Days prior to the date of the SCGI Shareholders Meeting, as to the aggregate tally of the proxies received by SCGI in respect of the Arrangement Resolution;

(g) SCGI will promptly advise Purchaser of any written notice of exercise or purported exercise by any holder of SCGI Shares of Dissent Rights received by SCGI in relation to the Arrangement Resolution and any withdrawal of Dissent Rights received by SCGI and, subject to applicable Laws, will provide Purchaser with an opportunity to review and comment upon any written communications sent by or on behalf of SCGI to any registered holder of SCGI Shares exercising or purporting to exercise Dissent Rights in relation to the Arrangement Resolution;

(h) SCGI will not change the record date for the SCGI Shareholders entitled to vote at the SCGI Shareholders Meeting in connection with any adjournment or postponement of the SCGI Shareholders Meeting unless required by applicable Laws;

(i) SCGI will not make any payment or settlement offer, or agree to any payment or settlement with respect to Dissent Rights, without the prior written consent of Purchaser; and

(j) Unless required by applicable Laws, SCGI will not propose or submit for consideration at the SCGI Shareholders Meeting any business other than the Arrangement without Purchaser's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed.

2.4 Information Circular

(a) Provided that Purchaser complies with Section 2.4(b), as promptly as reasonably practicable following execution of this Agreement, and, in any event not later than the Latest Mailing Time, SCGI shall (i) prepare a management information circular (the "**Information Circular**") together with any other documents required by Securities Laws and any other applicable Laws in connection with the Arrangement, and shall obtain the Fairness Opinion in writing for inclusion in the Information Circular, and (ii) as promptly as reasonably practicable after obtaining the Interim Order, file the Information Circular on SEDAR in all Canadian jurisdictions where the same is required to be filed under applicable Laws, and mail the Information Circular to SCGI Shareholders as required under the Interim Order and Securities Laws.

(b) Purchaser shall provide SCGI with any information pertaining to Purchaser that is required by the Interim Order or applicable Laws, or is reasonably required by SCGI for the completion of the Information Circular by SCGI, and shall provide SCGI with such other assistance in the preparation of the Information Circular as may be reasonably requested by SCGI.

(c) Purchaser represents, warrants and covenants that any such information provided to SCGI pursuant to Section 2.4(b), will be true and correct in all material respects as at the date of the Information Circular and will not contain any misrepresentation.

(d) SCGI shall ensure that the Information Circular complies in all material respects with all Securities Laws, and, without limiting the generality of the foregoing, that the Information Circular (other than information provided to SCGI pursuant to Section 2.4(b)) will not contain any misrepresentation and will provide the SCGI Shareholders with sufficient information to permit them to form a reasoned judgement concerning the matters to be placed before the SCGI Shareholders Meeting. Without limiting the generality of the foregoing, the Information Circular must include: (i) a copy of the Fairness Opinion; (ii) a statement that the Board of Directors has received the Fairness Opinion and has, after receiving legal and financial advice, unanimously determined that the Arrangement is in the best interests of SCGI and that the consideration to be received by the SCGI Shareholders pursuant to the Arrangement is fair to the SCGI Shareholders and that the Board of Directors unanimously recommends that SCGI Shareholders vote in favour of the Arrangement Resolution (the "**Board Recommendation**"); (iii) a statement that each director of SCGI who owns SCGI Shares intends to vote all of such individual's SCGI Shares in favour of the Arrangement Resolution; (iv) the text of the Arrangement Resolution; and (v) a statement that each of the parties to the Voting Agreements has entered into such Voting Agreement pursuant to which, inter alia, each such person has agreed to vote all of its SCGI Shares in favour of the Arrangement Resolution.

(e) Subject to Section 7.1, SCGI shall (i) solicit proxies in favour of the approval of the Arrangement Resolution and take all other actions that are reasonably

necessary or desirable to seek the approval of the Arrangement by SCGI Shareholders, including, if so requested by Purchaser (and at the sole expense of Purchaser), using a proxy solicitation services firm to be selected by SCGI and cooperating with any persons engaged by Purchaser to solicit proxies in favour of the approval of the Arrangement Resolution; (ii) recommend to holders of SCGI that they vote in favour of the Arrangement Resolution, and (iii) not make a Change in Recommendation, in each case subject to the other terms of this Agreement.

(f) SCGI shall provide Purchaser and its counsel with a reasonable opportunity to review and comment on the Information Circular and other related documents before such documents are issued, filed and delivered, and SCGI shall accept the reasonable comments made by Purchaser and its legal counsel. SCGI agrees that all information relating solely to Purchaser and its affiliates or any third party with which Purchaser may have any contractual obligations included in the Information Circular must be in form and content satisfactory to Purchaser, acting reasonably.

(g) SCGI shall provide to Purchaser a final copy of the Information Circular prior to its mailing to the SCGI Shareholders.

2.5 Amendments to Information Circular

Each of the parties shall promptly notify the other if at any time before the Effective Date it becomes aware that the Information Circular contains a misrepresentation, or becomes aware that the Information Circular otherwise requires an amendment or supplement, and SCGI shall provide Purchaser and its counsel with a reasonable opportunity to review and comment (recognizing that whether or not such comments are appropriate will be determined by SCGI acting reasonably and in good faith) on such amendment or supplement to the Information Circular prior to its mailing as required or appropriate, and SCGI shall promptly mail and file on SEDAR or otherwise publicly disseminate any amendment or supplement to the Information Circular to the SCGI Shareholders and, if required by Securities Laws, file the same with any Governmental Entity.

2.6 Treatment of Options, RSUs, and DSUs

Subject to the terms and conditions of this Agreement pursuant to the Arrangement:

(a) all Options whether vested or unvested will be cancelled by SCGI in exchange for a cash payment by SCGI to each holder of an Option, in respect of each Option held by such holder, of the amount, if any, equal to the Consideration less the applicable exercise price and net of all Taxes required to be withheld in respect of each Option and SCGI shall take all such reasonable steps as may be necessary or desirable to give effect to the foregoing;

(b) all rights under the RSU Plan, whether vested or unvested, will be disposed of and surrendered by the holders thereof to SCGI in exchange for a cash payment by SCGI to each holder of an RSU, in respect of each RSU held by such holder, of an amount equal to the Consideration net of all Taxes required to be withheld with

respect to each RSU and SCGI shall take all such reasonable steps as may be necessary or desirable to give effect to the foregoing;

(c) all DSUs will be disposed of and surrendered by the holders thereof to SCGI in exchange for a cash payment by SCGI to each holder of a DSU, in respect of each DSU held by such holder, of an amount equal to the Consideration net of all Taxes required to be withheld in respect of such DSU and SCGI shall take all such reasonable steps as may be necessary or desirable to give effect to the foregoing; and

(d) the parties acknowledge that no deduction will be claimed by SCGI in respect of any payment made to a holder of an Option in respect of the Options pursuant to the Plan of Arrangement who is a resident of Canada or who is, or has been, employed in Canada (both within the meaning of the Tax Act), in computing the Parties' taxable income under the Tax Act, and SCGI shall: (i) where applicable, make an election pursuant to subsection 110(1.1) of the Tax Act in respect of the cash payments made in exchange for the surrender of Options, and (ii) provide evidence in writing of such election to holders of Options, it being understood that holders of Options shall be entitled to claim any deductions available to such persons pursuant to the Tax Act in respect of the calculation of any benefit arising from the surrender of Options.

2.7 Final Order

If (a) the Interim Order is obtained, and (b) the Arrangement Resolution is passed at the SCGI Shareholders Meeting by SCGI Shareholders as provided for in the Interim Order, then, subject to the terms of this Agreement, SCGI shall as soon as reasonably practicable thereafter and in any event within five Business Days thereafter take all steps necessary to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Section 182 of the OBCA.

2.8 Court Proceedings

Subject to the terms of this Agreement,:

(a) SCGI shall diligently pursue, and SCGI and Purchaser shall cooperate with each other in diligently pursuing the Interim Order and the Final Order, including by Purchaser providing to SCGI on a timely basis any information required to be supplied by Purchaser concerning itself or its affiliates in connection therewith;

(b) SCGI shall provide Purchaser's legal counsel with reasonable opportunity to review and comment upon drafts of all materials, including the Interim Order and Final Order, to be filed with, or submitted to, the Court in connection with the Arrangement, and will give reasonable consideration to all such comments and will accept the reasonable comments of Purchaser and its legal counsel;

(c) SCGI shall not unreasonably object to outside Purchaser's legal counsel making such submissions on the application for the Interim Order and the Final Order as such counsel considers appropriate, acting reasonably, provided Purchaser advises

SCGI of the nature of such submissions prior to the application and such submissions are consistent with this Agreement and the Plan of Arrangement;

(d) SCGI shall ensure that all material filed with the Court in connection with the Arrangement is consistent in all material respects with the terms of this Agreement and the Plan of Arrangement. SCGI will also provide Purchaser's legal counsel on a timely basis with copies of any notice of appearance and evidence served on SCGI or its legal counsel in respect of the application for the Interim Order and the Final Order and any notice, written or oral, indicating the intention of any person to appeal, or oppose the granting of, the Interim Order or Final Order;

(e) SCGI shall, subject to applicable Laws, not file any material with the Court in connection with the Arrangement or serve any such material, nor will it agree to modify or amend materials so filed or served, except as contemplated hereby or with Purchaser's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed), provided Purchaser is not required to agree or consent to any increase in or variation in the form of the Consideration or other modification or amendment to such filed or served materials that expands or increases Purchaser's obligations, or diminishes or limits Purchaser's rights, set forth in any such filed or served materials or under this Agreement; and

(f) SCGI shall use reasonable best efforts to oppose any proposal from any person that the Final Order contain any provision inconsistent with this Agreement in any material respect, and if required by the terms of the Final Order or by Law to return to Court with respect to the Final Order do so only after notice to, and in consultation and cooperation with, Purchaser.

2.9 Preparation of Filings

Subject to Article 5, Purchaser and SCGI shall co-operate and use commercially reasonable efforts to take, or cause to be taken, all actions, including the preparation of any applications for Required Regulatory Approvals and other orders, registrations, consents, filings, rulings, exemptions, no-action letters, circulars and approvals required in connection with this Agreement and the Arrangement and the preparation of any required documents, in each case as necessary to discharge their respective obligations under this Agreement and to complete the Arrangement including their obligations under applicable Laws.

2.10 Payment of Consideration and Transaction Expenses

(a) Within three Business Days following receipt of the Final Order, SCGI shall provide Purchaser with a list of the Transaction Expenses to be paid on the Effective Date (the "**Effective Date Transaction Expenses**").

(b) Following receipt of the Final Order and prior to the filing by SCGI of the Articles of Arrangement, provided that the conditions (excluding conditions that, by their terms, cannot be satisfied until the Effective Date) set forth in Sections 6.1, 6.2 and 6.3 have been satisfied or, where not prohibited, waived to the satisfaction of the relevant party, Purchaser will provide the Depositary with

sufficient funds in escrow (the terms and conditions of such escrow to be satisfactory to Purchaser and SCGI, acting reasonably) to pay (i) the aggregate Consideration to be paid to SCGI Shareholders under the Arrangement, (ii) without duplication of amounts paid in clause (i) above, the aggregate amount payable, on behalf of SCGI, for all of the Options, RSUs and DSUs to be cancelled pursuant to the Arrangement in accordance with Section 2.6, and (iii) an amount equal to the Effective Date Transaction Expenses payable to SCGI or as it may direct for the purpose of paying the Transaction Expenses.

2.11 Articles of Arrangement and Effective Date

(a) The Articles of Arrangement shall implement the Plan of Arrangement. The Articles of Arrangement shall include the form of the Plan of Arrangement substantially in the form attached to this Agreement as Schedule A and any amendments or variations thereto made in accordance with Section 8.4 and the terms thereof or made at the direction of the Court in the Final Order with the consent of SCGI and Purchaser, each acting reasonably;

(b) On the date that is three Business Days following the satisfaction or, where not prohibited, the waiver by the applicable party or parties in whose favour the condition is, of the conditions (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where permitted, waiver of those conditions as of the Effective Date) set forth in Sections 6.1, 6.2 and 6.3, SCGI shall file the Articles of Arrangement with the Director who shall then issue the Certificate of Arrangement giving effect to the Arrangement and the Arrangement shall be effective at the Effective Time on the Effective Date and will have all of the effects provided by applicable Law. The Certificate of Arrangement shall be conclusive evidence that the Arrangement has become effective on, and be binding on and after, the Effective Time.

(c) The closing of the transactions contemplated hereby will take place at the offices of Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, Ontario M5H 2S7 or at such other location as may be agreed upon by the parties.

2.12 Press Releases

(a) Subject to compliance with Securities Laws, promptly upon the execution of this Agreement and in any event prior to the next opening of trading on the TSX, SCGI shall issue a press release announcing the entering into of this Agreement, which press release will be satisfactory in form and substance to each of the parties, acting reasonably; provided that SCGI shall accept any reasonable comments made by Purchaser or its counsel with respect to the press release prior to its issuance. SCGI will file such press release, together with a material change report in prescribed form and within the prescribed time period, with the applicable securities regulatory authorities under applicable Securities Laws.

(b) No party shall issue any press release or otherwise make public statements with respect to this Agreement or the Arrangement, except as contemplated or permitted by this Agreement, without the consent of the other party; provided,

however, that the foregoing shall be subject to each party's overriding obligation to make any disclosure or filing required under applicable Laws (and only to the extent required under applicable Laws), and the party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other party and reasonable opportunity to review or comment on the disclosure or filing, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing.

2.13 Withholding Taxes

Each of Purchaser, SCGI, the Depositary or any other person that makes a payment hereunder shall be entitled to deduct and withhold from the amounts otherwise payable under this Agreement and the Arrangement to any holder of SCGI Shares, Options, DSUs, RSUs or any other person such amounts as it is directed to deduct and withhold or is required to deduct and withhold with respect to such payment under the Tax Act or any provision of any applicable Law and remit such deduction and withholding amount to the appropriate Governmental Entity. To the extent that amounts are so properly deducted, withheld and remitted, such amounts shall be treated for all purposes of this Agreement and the Arrangement as having been paid to the holder of SCGI Shares, Options, DSUs, RSUs, or other person in respect of which such deduction, withholding and remittance was made.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF SCGI

SCGI hereby makes to Purchaser the representations and warranties set out in Schedule C to this Agreement, and acknowledges that Purchaser is relying upon these representations and warranties in connection with the entering into of this Agreement and the completion of the Arrangement. The representations and warranties of SCGI contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby makes to SCGI the representations and warranties set out in Schedule D to this Agreement, and acknowledges that SCGI is relying upon these representations and warranties in connection with the entering into of this Agreement and the completion of the Arrangement. The representations and warranties of Purchaser contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

ARTICLE 5
COVENANTS

5.1 Conduct of Activities and Business by SCGI

SCGI covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the termination of this Agreement in accordance with its terms,

except (i) with the prior written consent of Purchaser (which consent shall not be unreasonably withheld, delayed or conditioned), (ii) as otherwise contemplated or permitted by this Agreement, Schedule 5.1 of the Disclosure Letter, a Pre-Acquisition Reorganization or the Plan of Arrangement, or (iii) as otherwise required by Laws or any Governmental Entity (which, for greater certainty, includes any recommendation, advisory, guideline, bulletin, ruling or other regulatory document issued by OSFI), SCGI will, and will cause each of the SCGI Subsidiaries to:

(a) conduct its and their respective activities and businesses in the ordinary course of business of SCGI and the SCGI Subsidiaries, and comply in all material respects with applicable Laws, and use commercially reasonable efforts to maintain and preserve intact its and their present business organization and goodwill and business relationships it currently maintains with customers, suppliers, partners and other persons with which SCGI and SCGI Subsidiaries have business relations, and to maintain and preserve intact its and their respective properties and assets in good standing;

(b) not issue, sell, grant, award, pledge, dispose of, encumber or agree to issue, sell, grant, award, pledge, dispose of or encumber (i) any SCGI Shares, or (ii) any warrants, conversion privileges or rights of any kind to acquire any SCGI Shares or other securities (including without limitation Options, RSUs and DSUs) or (iii) any other securities of SCGI or of the SCGI Subsidiaries (or authorize any of the foregoing) other than the issuance of SCGI Shares upon the conversion or exercise of currently outstanding Options or DSUs, in accordance with their terms;

(c) not amend or propose to amend any articles, by-laws or other constating documents of SCGI or any Active SCGI Entity or the terms of any securities of SCGI or any Active SCGI Entity;

(d) not enter into, or waive, release, grant, transfer, exercise or amend in a material manner any existing contractual rights under, or cancel or terminate, any Material Contract;

(e) not split, combine or reclassify any outstanding SCGI Shares, other securities of SCGI or any securities of any SCGI Subsidiary nor redeem, purchase or offer to purchase any SCGI Shares, any other securities of SCGI or any securities of any SCGI Subsidiary other than upon the conversion, exchange or exercise of currently outstanding Options or DSUs, in accordance with their terms;

(f) not sell, pledge, hypothecate, lease, license, sell and lease back, mortgage, dispose of, surrender or encumber or otherwise transfer, any assets, securities, properties, interests or businesses of SCGI or any SCGI Subsidiaries except in the ordinary course of business;

(g) not declare, set aside or pay any distribution (whether in cash, securities or property or any combination thereof) in respect of any SCGI Shares;

(h) not redeem, repurchase, or otherwise acquire or offer to redeem, repurchase or otherwise acquire any of its securities;

(i) not enter into any transaction with any related parties (as defined in MI 61-101), other than transactions between SCGI and any of the SCGI Subsidiaries or between two or more SCGI Subsidiaries or as otherwise permitted in this Agreement;

(j) not reorganize, amalgamate or merge SCGI or any SCGI Subsidiary with any other person nor adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of SCGI or any SCGI Subsidiary;

(k) not acquire or agree to acquire (by merger, amalgamation, acquisition of shares or assets or otherwise) any person, or make any investment either by purchase of shares or securities, contributions of capital (other than to Subsidiaries), property transfer or purchase of any property or assets of any other person, that individually has a value of greater than $250,000 or $1,000,000 in the aggregate;

(l) not reduce the stated capital of the shares of SCGI or any SCGI Subsidiaries;

(m) (i) not increase the compensation or benefits payable or to become payable to its and their directors and officers, enter into or modify any employment, severance, change of control or similar agreements or arrangements with, or grant any bonuses, salary increases, severance or termination pay to, any of its or their directors or officers, (ii) in the case of employees who are not directors or officers of SCGI or any SCGI Subsidiary, not take any action, grant or make any promise with respect to bonuses, salary increases, severance, termination pay, change of control, retention or completion agreements or with respect to any increase of benefits payable in effect on the date hereof that would exceed 2% on an annualized basis, and (iii) not amend, modify or grant any waiver in respect of any existing, or enter into any new, Option, RSU, DSU or other equity-based incentive plan;

(n) not make or amend any material Tax election, settle or compromise any material Tax claim, assessment, reassessment or liability, amend any Tax Return in any material respect, enter into any material agreement with a Governmental Entity with respect to Taxes, surrender any right to claim a material Tax abatement, reduction, deduction, exemption, credit or refund, consent to the extension or waiver of the limitation period applicable to any material Tax matter, or materially amend or change any of its methods or reporting income, deductions or accounting for income Tax purposes unless required by applicable Law;

(o) SCGI agrees that, between the date of this Agreement and the Effective Time, SCGI shall not, and shall cause the SCGI Subsidiaries to not, transfer any property to a "prohibited person" as described in paragraphs 88(1)(c) and 88(1)(d) of the Tax Act other than in the ordinary course of business;

(p) (i) duly and timely file, in accordance with applicable Law, all income Tax Returns for Active SCGI Entities and any other material Tax Returns required to

be filed by it on or after the date hereof; (ii) not fail, in any material respect, to timely withhold, collect, remit and pay all Taxes which are to be withheld, collected, remitted or paid by it to the extent due and payable except for any Taxes contested in good faith pursuant to applicable Laws; and (iii) not make a request for a tax ruling;

(q) not incur, create, assume or otherwise become liable for (including by providing a guarantee of) any indebtedness for borrowed money or any other material liability or obligation or issue any debt securities except debt incurred through the issuance of GICs in the ordinary course of business;

(r) not enter into, or resolve to enter into, any agreement that has the effect of creating a joint venture, partnership, shareholders' agreement or similar relationship between SCGI or any of SCGI Subsidiary and another person;

(s) not commence, waive, release, assign, settle, satisfy or compromise any litigation or proceedings involving monetary claims for a value of more than $50,000 individually or $150,000 in the aggregate or any governmental investigations, save and except for the enforcement of Mortgage Loans in the ordinary course of business;

(t) except as contemplated in Section 7.9, not amend, modify, terminate, cancel or let lapse any material insurance (or re-insurance) policy of SCGI or any SCGI Subsidiary in effect on the date of this Agreement, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated, cancelled or lapsed policies for substantially similar premiums are in full force and effect;

(u) not make or commit to make any capital expenditure, capital additions, or capital improvements individually greater than $250,000 or in the aggregate exceeding $1,000,000;

(v) not make any loan or advance to, or any capital contribution or investment in, or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of, any person;

(w) not prepay or repay any long-term indebtedness before its scheduled maturity, other than repayments and contractually required prepayments of indebtedness under revolving credit facilities, provided that no material breakage or other costs or penalties are payable in connection with any such prepayment;

(x) not make any material change in methods of accounting or accounting principles for SCGI or any of the SCGI Subsidiaries, except as required by IFRS, or pursuant to written instructions, comments or orders of a Governmental Entity, or change or propose to change the auditors of SCGI or any of the SCGI Subsidiaries; and

(y) not announce an intention, enter into any formal or informal agreement, or otherwise make a commitment to do any of the things prohibited by any of the foregoing subsections.

In the event that SCGI makes a written request for Purchaser's consent for any of the matters set out above, such consent shall not be unreasonably withheld, delayed or conditioned. Purchaser shall use commercially reasonable efforts to provide its response in writing within two Business Days of the date Purchaser is in receipt of all information reasonably required by Purchaser to consider such written request. If Purchaser shall fail to respond within five Business Days of the date Purchaser is in receipt of all information reasonably required by Purchaser to consider such written request, Purchaser shall be deemed to have approved SCGI's request.

5.2 Bank Act Approval

In addition to, and without limiting the generality of, the obligations of Purchaser and SCGI set out in Section 2.9 and in the Regulatory Commitment Letter:

(a) Purchaser shall use commercially reasonable efforts to obtain the Bank Act Approvals as expeditiously as practicable. Without limiting the generality of the foregoing, Purchaser shall prepare and file as soon as practicable and in any event within ten Business Days following the execution of this Agreement its application (the "**Bank Act Application**") to obtain the Bank Act Approvals and request that the Bank Act Application be processed by on an expedited basis, such application to be based on Purchaser's understanding of the information required by OSFI and the Regulatory Commitment Letter. Purchaser shall notify SCGI immediately upon making such filing.

(b) SCGI consents to Purchaser and its Representatives initiating and conducting discussions, meetings and communications with OSFI and the Minister of Finance ("**Regulatory Communications**") in connection with the Arrangement and the Bank Act Approvals, provided that unless SCGI specifically agrees otherwise in writing (for each instance of Regulatory Communications) (i) neither Purchaser nor its Representatives will initiate any Regulatory Communications without first consulting with SCGI and its regulatory counsel and offering SCGI or its regulatory counsel an opportunity to participate in such Regulatory Communications, (ii) Purchaser and its Representatives will copy SCGI and its regulatory counsel on all written communications to OSFI and the Minister of Finance and promptly forward to SCGI and its regulatory counsel any written communications Purchaser or its Representatives receive from OSFI or the Minister of Finance, and (iii) if Purchaser or its Representatives receive any unsolicited inbound telephone calls from OSFI or the Minister of Finance, Purchaser shall make a reasonable effort to include SCGI or its regulatory counsel in such telephone call, and if that is not practicable, shall promptly provide SCGI with a detailed summary of what was discussed in any telephone call in which SCGI or its regulatory counsel did not participate. For the purposes of this paragraph, SCGI hereby consents in writing that it shall be deemed not to be practicable to include SCGI or its regulatory counsel in short communications that deal with a factual clarification or matter or an issue that is not especially

significant in the context of the overall regulatory aspects of the Arrangement. To the extent any Regulatory Communications (written or oral) include information that Purchaser, acting reasonably, considers highly confidential and competitively sensitive, such information shall be provided to SCGI's external counsel on an outside counsel only basis.

(c) SCGI shall: (i) furnish to Purchaser and its counsel such information, documents, and assistance as Purchaser or its counsel, as the case may be, may reasonably request in connection with the Bank Act Approval being sought by Purchaser pursuant to this Section 5.2; and (ii) furnish to OSFI or the Minister of Finance any additional information reasonably required or requested by OSFI or the Minister of Finance in connection with any Bank Act Approval being sought by Purchaser pursuant to this Section 5.2.

(d) Purchaser shall enter into any commercially reasonable undertaking, commitment or agreement (including, for greater certainty, acknowledging OSFI's support principle letter in its standard form and accepting any commercially reasonable term or condition which might be imposed by OSFI or the Minister of Finance in granting the Bank Act Approvals) with OSFI or the Minister of Finance in order to obtain the Bank Act Approvals as required under Section 6.1(e) and to prevent any legal impediment to the completion of the transactions contemplated by this Agreement as set out in Section 6.1(c). In this paragraph, "commercially reasonable" means commercially reasonable in light of the business plan filed in connection with Purchaser's application for the Bank Act Approvals as contemplated by the Regulatory Commitment Letter.

(e) Purchaser shall keep SCGI apprised as to the Bank Act Application process generally and promptly advise SCGI of, and consult with SCGI in respect of, any developments in such process which would reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement. In the event that the Bank Act Application is not approved by OSFI or the Minister of Finance, Purchaser shall provide evidence satisfactory to SCGI, acting reasonably, of such non-approval.

5.3 Covenants of SCGI Relating to the Arrangement

Subject to the terms of this Agreement, SCGI shall and shall cause the SCGI Subsidiaries to perform all obligations required to be performed by SCGI or any SCGI Subsidiary under this Agreement, co-operate with Purchaser in connection therewith, and do all such other acts and things as may be necessary or reasonably desirable in order to consummate and make effective the Arrangement and, without limiting the generality of the foregoing or the obligations in Section 2.9 and Section 5.2 and subject to the other terms of this Agreement, SCGI shall and, where applicable, shall cause the SCGI Subsidiaries to:

(a) assist Purchaser in obtaining all Required Regulatory Approvals. Without limiting the generality of the foregoing, SCGI shall file, as soon as practicable and in any event within 10 Business Days following the execution of this Agreement, a notification under Part IX of the Competition Act with the Commissioner, unless Purchaser and SCGI mutually agree that such a filing is not necessary, and

SCGI shall promptly provide such information and assistance as may be reasonably requested by Purchaser to assist in preparing the request to the Commissioner to issue an advance ruling certificate referred to in Section 5.4(a), and shall use its reasonable best efforts to satisfy, as soon as reasonably practicable, any requests for information and documentation received from the Commissioner or any Governmental Entity in connection with the Required Regulatory Approvals. SCGI will coordinate and co-operate in exchanging information and supplying assistance that is reasonably requested by Purchaser in connection with Section 5.4(a), including providing Purchaser with copies in advance and reasonable opportunity to comment on all notices, submissions, filings and information supplied to or filed with the Commissioner or any Governmental Entity to obtain the Required Regulatory Approvals (except for notices and information which SCGI, acting reasonably, considers privileged, highly confidential or competitively sensitive, which then shall be provided on an outside counsel only basis to external counsel for Purchaser) (other than highly confidential materials related to the evaluation of strategic options (such as certain board minutes and presentations)) and all notices and correspondence received from the Commissioner or any Governmental Entity. SCGI and its counsel shall not attend any meetings, whether in person or by telephone, where substantive issues are discussed with the Commissioner or any Governmental Entity in connection with the transactions contemplated by this Agreement, unless it provides Purchaser with a reasonable opportunity to attend such meetings;

(b) use its commercially reasonable efforts to obtain as soon as reasonably practicable following execution of this Agreement all Third Party Consents;

(c) inform Purchaser of, and allow Purchaser to participate in, any discussions and negotiations with respect to any extensions or amendments of the Contract described in paragraph 2 of Schedule 5.1 of the Disclosure Letter;

(d) defend all lawsuits or other legal, regulatory or other proceedings against SCGI challenging or affecting this Agreement or the consummation of the Arrangement;

(e) not take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of SCGI to consummate the Arrangement;

(f) provide Purchaser with prompt written notice of any change, effect, event or occurrence which, when considered either individually or in the aggregate, has resulted in or would reasonably be expected to result in a Material Adverse Effect in respect of SCGI;

(g) not initiate any material discussions, negotiations or filings with any Governmental Entity with respect to the Arrangement without the prior consent of Purchaser, such consent not to be unreasonably withheld, and further agrees to provide Purchaser with prompt notice (to the extent permitted by Law) of any material governmental or third party complaints, investigations or hearings or communications (whether oral or written) relating to the Arrangement indicating

that the same may be contemplated, including a copy of any such written communication;

(h) use its commercially reasonable efforts to obtain the resignations from the members of the Board of Directors as of the time immediately following the Effective Time;

(i) promptly advise Purchaser of the number of SCGI Shares for which SCGI receives notices of dissent and provide Purchaser with copies of such notices;

(j) promptly advise Purchaser of any notice or other material communication from any person alleging (i) that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such person is required in connection with this Agreement or the Arrangement, or (ii) such person, if a party to a Material Contract, is terminating or otherwise materially adversely modifying its relationship with SCGI or any SCGI Subsidiaries as a result of the Arrangement or this Agreement;

(k) use commercially reasonable efforts to, upon reasonable consultation with Purchaser, oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement or this Agreement;

(l) provide Purchaser with any material filings, actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, relating to or involving SCGI or any SCGI Subsidiaries or that relate to this Agreement or the Arrangement; and

(m) satisfy or, to the extent not within its control, use commercially reasonable efforts to satisfy, all conditions precedent in this Agreement, and take all steps set forth in the Interim Order and Final Order applicable to it and comply promptly with all requirements imposed by Law on it or the SCGI Subsidiaries with respect to this Agreement or the Arrangement.

5.4 Covenants of Purchaser Relating to the Arrangement

Subject to the terms of this Agreement, Purchaser shall perform all obligations required to be performed by Purchaser under this Agreement, co-operate with SCGI in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the Arrangement and, without limiting the generality of the foregoing or the obligations in Section 2.9, Section 5.2 or the Regulatory Commitment Letter, Purchaser shall:

(a) use commercially reasonable efforts to obtain all of the Other Regulatory Approvals as expeditiously as possible. Without limiting the generality of the foregoing, Purchaser shall file as soon as practicable and in any event within 10 Business Days following the execution of this Agreement, (i) an application for

CMHC Approval, (ii) a request to the Commissioner that he issue to Purchaser an advance ruling certificate or, in the alternative, a no-action letter, and (iii) a notification under Part IX of the Competition Act with the Commissioner, unless Purchaser and SCGI mutually agree that such a filing is not necessary. Purchaser shall promptly notify SCGI of any developments related to all filings with CMHC and the Commissioner or any other Governmental Entity. Purchaser shall use its reasonable best efforts to satisfy, as soon as reasonably possible, any requests for information and documentation received from CMHC, the Commissioner or any Governmental Entity in connection with the Other Regulatory Approvals. Purchaser will coordinate and co-operate in exchanging information and supplying assistance that is reasonably requested by SCGI in connection with Section 5.3(a), including providing SCGI with copies in advance and reasonable opportunity to comment on all notices, submissions, filings, and information supplied to or filed with CMHC, the Commissioner or any Governmental Entity to obtain the Other Regulatory Approvals (except for notices and information which Purchaser, acting reasonably, considers highly confidential and competitively sensitive, which then shall be provided on an outside counsel only basis to external counsel for SCGI), and all notices and correspondence received from CMHC, the Commissioner or any Governmental Entity. Purchaser and its counsel shall not attend any meetings in person or by telephone where substantive issues are discussed with CMHC, the Commissioner or any Governmental Entity in connection with the transactions contemplated by this Agreement unless it provides SCGI with a reasonable opportunity to attend such meetings;

(b) notwithstanding anything else contained herein, (i) provided that such action is commercially reasonable, enter into any settlement, consent decree, consent agreement, consent order, stipulation or agreement with the Commissioner or any other Government Entity in order to obtain the Other Regulatory Approvals as required under Section 6.1(e) and to prevent any legal impediment to the completion of the transactions contemplated by this Agreement as set out in Section 6.1(c); or (ii) provided that such action is commercially reasonable, divest or otherwise hold separate (including by establishing a trust or otherwise), or take any other action (or otherwise agree to do any of the foregoing) with respect to Purchaser or any of its Subsidiaries or affiliates or any of their respective businesses, assets or properties in order to obtain the Other Regulatory Approvals; provided that any actions taken by Purchaser under (i) and (ii) individually or collectively would not have a Material Adverse Effect on SCGI;

(c) be responsible for all filing fees required in connection with obtaining the Required Regulatory Approvals;

(d) use commercially reasonable efforts to defend all lawsuits or other legal, regulatory or other proceedings against Purchaser challenging or affecting this Agreement or the consummation of the Arrangement;

(e) provide such assistance as may reasonably be required by SCGI for the purposes of completing the SCGI Shareholders Meeting;

(f) not take any action, or provided that such action is commercially reasonable, fail to take any action that is intended to or would reasonably be expected to individually or in the aggregate, prevent, materially delay or materially impede the ability of Purchaser to consummate the Arrangement;

(g) in addition to its obligations under Section 5.2(b), not initiate any material discussions, negotiations or filings with any Governmental Entity with respect to the Arrangement, SCGI or the SCGI Subsidiaries without the prior consent of SCGI, such consent not to be unreasonably withheld, and further agrees to provide SCGI with prompt notice (to the extent permitted by Law) of any material governmental or third party complaints, investigations or hearings or communications (whether oral or written) indicating that the same may be contemplated, including a copy of any written communication;

(h) take all necessary action to ensure that it has sufficient funds to carry out its obligations under this Agreement and the Plan of Arrangement and to pay related fees and expenses and it shall, on or before the Effective Date, provide the Depositary (i) with sufficient funds to pay in full the Consideration for all SCGI Shares and (ii) on behalf of SCGI, with sufficient funds to pay the aggregate amount payable for all of the Options, RSUs and DSUs to be cancelled pursuant to the Arrangement in accordance with Section 2.6; and

(i) use commercially reasonable efforts to satisfy all conditions precedent set forth in Sections 6.1 and 6.3 of this Agreement.

5.5 TSX De-listing

Purchaser and SCGI shall use their commercially reasonable efforts to cause the SCGI Shares to be delisted from the TSX promptly following the acquisition by Purchaser of the SCGI Shares pursuant to the Arrangement.

5.6 Pre-Acquisition Reorganization

(a) SCGI agrees that, upon request by Purchaser, SCGI shall use its commercially reasonable efforts to, and shall cause each SCGI Subsidiary to, (i) effect such reorganizations of SCGI's or the SCGI Subsidiaries' business, operations and assets or such other transactions as Purchaser may request, acting reasonably (each a "**Pre-Acquisition Reorganization**") and (ii) co-operate with Purchaser and its advisors in order to determine the nature of the Pre-Acquisition Reorganizations that might be undertaken and the manner in which they might most effectively be undertaken; provided, however, that SCGI need not effect any Pre-Acquisition Reorganization which, in the opinion of SCGI, acting reasonably, (A) would require the approval of the SCGI Shareholders, (B) would, in the opinion of SCGI or its counsel, acting reasonably, be prejudicial to SCGI, any SCGI Subsidiary or any SCGI Securityholders, (C) would reduce the consideration to be received by the SCGI Securityholders, (D) would unreasonably interfere with the ongoing operations of SCGI or any SCGI Subsidiary, (E) unless agreed by SCGI, would require any filing with, notification to or approval of any Governmental Entity or third party prior to the Effective

Date or impede, delay or prevent the receipt of any Required Regulatory Approval or Third Party Consents or the satisfaction of any conditions set forth in Article 6, (F) would require SCGI or any SCGI Subsidiary to contravene any applicable Laws or its respective organizational documents or any Contract, (G) would prevent, delay or impede the ability of SCGI to consummate the Arrangement, or (H) would result in Taxes being imposed on, or other adverse Tax consequences to, the SCGI Securityholders generally that is incrementally greater than the Taxes imposed on or other consequences to the SCGI Securityholders in connection with the completion of the Arrangement in the absence of such Pre-Acquisition Reorganization. Furthermore, any such Pre-Acquisition Reorganization shall not become effective until immediately prior to the Effective Time following the satisfaction or waiver of all conditions precedent to the Arrangement. Purchaser acknowledges and agrees that the Pre-Acquisition Reorganization shall not be considered in determining whether a representation, warranty or covenant of SCGI or any SCGI Subsidiary hereunder has been breached.

(b) Purchaser shall provide written notice to SCGI of any proposed Pre-Acquisition Reorganization at least 10 Business Days prior to the Effective Time. Upon receipt of such notice, Purchaser and SCGI shall at the expense of Purchaser work co-operatively and use commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do all such other acts and things as are necessary to give effect to such Pre-Acquisition Reorganization. Purchaser shall forthwith reimburse SCGI for all fees and expenses, including reasonable legal fees and disbursements, incurred by SCGI and the SCGI Subsidiaries in considering, effecting or otherwise in connection with the Pre-Acquisition Reorganization if the Arrangement is not completed. Purchaser shall indemnify SCGI, the SCGI Subsidiaries and their respective Representatives from and against any and all liabilities, losses, damages, claims, costs, expenses, interest, awards, judgements, Taxes and penalties suffered or incurred by any of them in connection with or as a result or in connection with implementing, reversing or unwinding of any Pre-Acquisition Reorganization. The obligations of Purchaser hereunder shall survive termination of this Agreement.

(c) The parties shall seek to have any Pre-Acquisition Reorganization that is to be effective before the Effective Time made effective as of the last moment of the day ending immediately prior to the Effective Date (but after SCGI shall have irrevocably waived or confirmed that all conditions under Section 6.1 and Section 6.2 have been satisfied); provided that, no Pre-Acquisition Reorganization will be made effective unless it is reasonably certain, after consulting with SCGI, that the Arrangement will become effective.

ARTICLE 6
CONDITIONS

6.1 Mutual Conditions Precedent

The respective obligations of the parties to complete the transactions contemplated by this Agreement are subject to the fulfillment of each of the following conditions precedent on or before the Effective Time, each of which may only be waived with the mutual written consent of the SCGI and Purchaser:

(a) the Interim Order and the Final Order shall each have been obtained on terms consistent with this Agreement, and shall not have been set aside or modified in a manner unacceptable to SCGI or Purchaser, acting reasonably, on appeal or otherwise;

(b) the Arrangement Resolution shall have received SCGI Shareholder Approval in accordance with the Interim Order;

(c) no Governmental Entity shall have enacted, issued, promulgated, enforced or made any Law, order, writ, judgment, injunction, decree, determination, award or similar order (whether preliminary or final) which is then in effect and has the effect of preventing, prohibiting, restraining or enjoining the consummation of the Arrangement;

(d) the Bank Act Approvals shall have been obtained on terms and conditions contemplated by the Regulatory Commitment Letter, are in force and have not been modified in any material respect;

(e) the Other Regulatory Approvals shall have been obtained, are in force and have not been modified in any material respect;

(f) the Articles of Arrangement to be filed with the Director in accordance with the Arrangement is in a form and content satisfactory to SCGI and Purchaser, each acting reasonably; and

(g) this Agreement shall not have been terminated in accordance with Section 8.1.

6.2 Additional Conditions Precedent to the Obligations of Purchaser

The obligation of Purchaser to complete the Arrangement is subject to the fulfillment of each of the following conditions precedent on or before the Effective Time, each of which is for the benefit of Purchaser and may be waived only by Purchaser in its sole discretion:

(a) the covenants of SCGI under this Agreement to be performed on or before the Effective Time that have not been waived by Purchaser shall have been duly performed by SCGI in all material respects and Purchaser shall have received a certificate of SCGI addressed to Purchaser and dated the Effective Date, signed on behalf of SCGI by two senior executive officers of SCGI (on SCGI's behalf and without personal liability), confirming the same as at the Effective Time;

(b) (i) the representations and warranties of SCGI set forth in Section 1 [*Organization and Qualification*], 2 [*Authority of SCGI Relations to this Agreement*] and 9 [*Capitalization and Listing*] of Schedule C are true and correct in all respects (other than *de minimus* inaccuracies) as of the date of this Agreement, and (ii) all of the representations and warranties of SCGI set forth in Schedule C shall be true and correct in all respects (disregarding for purposes of this Section 6.2(b) any materiality or Material Adverse Effect qualification contained in any such representation or warranty) as of the Effective Time as if made at and as of such time (except that any such representation and warranty that by its terms speaks specifically as of the date of this Agreement or another date shall be true and correct in all respects as of such date), except (in the case of this subclause (ii)) where the failure to be so true and correct in all respects, individually and in the aggregate, has not had or would not reasonably be expected to have a Material Adverse Effect in respect of SCGI, and Purchaser shall have received a certificate of SCGI addressed to Purchaser and dated the Effective Date, signed on behalf of SCGI by two senior executive officers of SCGI (on SCGI's behalf and without personal liability), confirming the same as at the Effective Time;

(c) there is no action or proceeding pending by any person (other than Purchaser) that is reasonably likely to:

(i) cease trade, enjoin or prohibit, Purchaser's ability to acquire, hold, or exercise full rights of ownership over, any SCGI Shares, including the right to vote the SCGI Shares;

(ii) except as a consequence of the Required Regulatory Approvals, prohibit the ownership or operation by Purchaser of any material portion of the business or assets of SCGI or the SCGI Subsidiaries (taken as a whole), or compel Purchaser to dispose of or hold separate any material portion of the business or assets of SCGI or the SCGI Subsidiaries (taken as a whole) as a result of the Arrangement; or

(iii) prevent the consummation of the Arrangement, or if the Arrangement is consummated, have a Material Adverse Effect;

(d) Dissent Rights have not been exercised with respect to more than 7.5% of the issued and outstanding SCGI Shares;

(e) the Board of Directors shall have received the Fairness Opinion from the Financial Advisor, and it shall not have been withdrawn or materially modified prior to the SCGI Shareholders Meeting;

(f) except as disclosed in Schedule 6.2(f) of the Disclosure Letter, since December 31, 2018, no write-down, write-off or impairment shall have been made by SCGI of the consolidated assets of SCGI or of any of the SCGI Subsidiaries, nor authorized by the Board of Directors, nor shall any realized losses have been incurred by SCGI or any of the SCGI Subsidiaries, in an aggregate amount greater than 2% of SCGI's consolidated net assets as at December 31, 2018; and

(g) since the date of this Agreement there shall not have occurred a Material Adverse Effect in respect of SCGI.

The foregoing conditions will be for the sole benefit of Purchaser and may be waived by it in whole or in part at any time.

6.3 Additional Conditions Precedent to the Obligations of SCGI

The obligation of SCGI to complete the Arrangement is subject to the fulfillment of each of the following conditions precedent on or before the Effective Time, each of which is for the exclusive benefit of SCGI and may be waived only by SCGI in its sole discretion:

(a) the covenants of Purchaser under this Agreement to be performed on or before the Effective Time that have not been waived by SCGI shall have been duly performed by Purchaser in all material respects and SCGI shall have received a certificate of Purchaser, addressed to SCGI and dated the Effective Date, signed on behalf of Purchaser by two of its senior executive officers (on Purchaser's behalf and without personal liability), confirming the same as of the Effective Date;

(b) the representations and warranties of Purchaser set forth in this Agreement shall be true and correct in all respects, as of the Effective Time, as though made on and as of the Effective Time except where the failure or failures of all such representations and warranties to be so true and correct in all respects would not reasonably be expected individually or in the aggregate to prevent or materially impair or materially delay Purchaser's ability to complete the Arrangement, and SCGI shall have received a certificate signed on behalf of Purchaser by two senior executive officers of Purchaser (on Purchaser's behalf and without personal liability) to this effect; and

(c) Purchaser shall have deposited or caused to be deposited with the Depositary in escrow in accordance with Section 2.10 (i) the funds required to effect payment in full of the Consideration to be paid for all of the SCGI Shares and (ii) the funds required to pay the Consideration for all of the Options, RSUs and DSUs to be cancelled pursuant to the Arrangement, and the Depositary shall have confirmed to SCGI receipt of these funds.

The foregoing conditions will be for the sole benefit of SCGI and may be waived by it in whole or in part at any time.

6.4 Satisfaction of Conditions

The conditions precedent set out in Section 6.1, Section 6.2 and Section 6.3 shall be conclusively deemed to have been satisfied, waived or released when the Certificate of Arrangement is issued by the Director.

ARTICLE 7
OTHER COVENANTS

7.1 Non-Solicitation

(a) Except as otherwise provided in this Article 7, on and after the date hereof until the termination of this Agreement, SCGI shall not and shall not authorize or permit any Representative of SCGI, and shall cause each of the SCGI Subsidiaries, and their respective Representatives not to, directly or indirectly:

(i) solicit, assist, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to or disclosure of, any confidential information, properties, books and records of SCGI or any SCGI Subsidiaries) any inquiries, proposals or offers that constitute or that could reasonably be expected to constitute, or lead to, an Acquisition Proposal;

(ii) enter into or otherwise engage in any discussions or negotiations with any person regarding, or otherwise co-operate in any way with, or assist or participate in, knowingly encourage or otherwise knowingly facilitate, any effort or attempt by any other person to make or complete any Acquisition Proposal, provided that, for greater certainty, SCGI may respond to any person making an unsolicited Acquisition Proposal that such Acquisition Proposal does not constitute a Superior Proposal when the Board of Directors has so determined;

(iii) make or propose publicly a Change in Recommendation;

(iv) fail to use commercially reasonable efforts to enforce any confidentiality agreement and/or standstill agreement or provision it has with any person other than Purchaser, or waive, relieve any person of or amend any such agreement and/or provision in any way, provided that, for the avoidance of doubt, any automatic release or partial release from any standstill agreement or provision of any such agreement in accordance with its terms (including any provision permitting the submission of a confidential proposal to the Board of Directors) shall not constitute a breach of this Section 7.1(a)(iv)); or

(v) enter into, or publicly propose to enter into, any agreement, understanding or arrangement in respect of an Acquisition Proposal (other than a confidentiality or standstill agreement permitted pursuant to Section 7.3(a)).

(b) SCGI will, and shall cause the SCGI Subsidiaries and its and their respective Representatives to, immediately cease and terminate any existing solicitation, discussion or negotiation or other activities commenced prior to the date of this Agreement with any person (other than Purchaser and its Representatives), by or on behalf of SCGI or any SCGI Subsidiary, with respect to any inquiries, proposals or offers that constitute or that could reasonably be expected to

constitute, or lead to, an Acquisition Proposal, whether or not initiated by SCGI or any SCGI Subsidiaries or any of its or their Representatives and, in connection therewith, SCGI will discontinue access to any data rooms (virtual or otherwise).

(c) Within two Business Days from the date hereof, SCGI shall, to the extent that it is permitted under the applicable agreement to do so, request the return or destruction of all information provided to any third parties who have entered into a confidentiality agreement with SCGI relating to any potential Acquisition Proposal.

7.2 Notice of an Acquisition Proposal

From and after the date of this Agreement, SCGI shall promptly (and in any event within 24 hours following receipt of any proposal, inquiry or offer) notify Purchaser, at first orally and then in writing, of any proposal, inquiry or offer that is reasonably expected to lead to or that constitutes an Acquisition Proposal, and/or any request for non-public information with respect to any Acquisition Proposal relating to SCGI and the SCGI Subsidiaries, in each case, of which SCGI's directors, officers or other executives are or become aware, or any material amendments to the foregoing. Such notice shall include a description of the material terms and conditions of any proposal, inquiry or offer to the extent known (including, for the avoidance of doubt, the identities of the person making such proposal, inquiry or offer) and shall include copies of any such proposal, inquiry or offer or any amendment to any of the foregoing (if in writing). SCGI shall keep Purchaser informed of the status of material developments and negotiations with respect to any Acquisition Proposal, inquiry, proposal, offer or request, including any material changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request.

7.3 Responding to an Acquisition Proposal

(a) Notwithstanding Section 7.1(a) or any other provision of this Agreement, following the receipt by SCGI of a written Acquisition Proposal made prior to the SCGI Shareholder Approval, SCGI and its Representatives may, provided that (A) the Board of Directors determines in good faith after consultation with its outside legal counsel and financial advisors that such Acquisition Proposal is or would reasonably be expected to lead to a Superior Proposal; (B) SCGI notifies Purchaser of such Acquisition Proposal as required by Section 7.2; and (C) SCGI has been, and continues to be, in compliance with its obligations under Article 7:

(i) furnish information with respect to SCGI and the SCGI Subsidiaries to the person making such Acquisition Proposal and its Representatives and financing sources, subject to entering into a confidentiality agreement with such person containing terms that are not materially less favourable to SCGI and the SCGI Subsidiaries than those contained in the Confidentiality Agreement, provided that such confidentiality agreement may not include any provision calling for an exclusive right to negotiate with SCGI and the SCGI Subsidiaries and may not restrict SCGI or the SCGI Subsidiaries from complying with this Section 7.3 (it being understood and agreed that such confidentiality agreement need not restrict the making of a confidential Acquisition Proposal and related

communications to SCGI or the Board of Directors), a copy of which shall be provided to Purchaser prior to providing such person with any such copies, access or disclosure; and

(ii) contact, communicate and otherwise participate in discussions or negotiations with the persons making such Acquisition Proposal and its Representatives regarding such Acquisition Proposal.

7.4 Responding to Superior Proposal

(a) Notwithstanding Section 7.1(a) or any other provision of this Agreement, prior to the SCGI Shareholder Approval, SCGI may enter into a definitive agreement (in addition to any confidentiality and standstill agreement contemplated by Section 7.3(a)) with respect to an Acquisition Proposal including, for greater certainty, an amendment, change or modification to an Acquisition Proposal made prior to the date hereof, provided that:

(i) SCGI has complied with its obligations under this Article 7 in all material respects;

(ii) the Board of Directors has determined, after consultation with its outside legal and financial advisors, that such Acquisition Proposal is a Superior Proposal;

(iii) SCGI has delivered written notice to Purchaser of the determination of the Board of Directors that the Acquisition Proposal is a Superior Proposal and of the intention of the Board of Directors to approve or recommend such Superior Proposal and/or of SCGI to enter into an agreement with respect to such Superior Proposal, together with an indication of the value ascribed by the Board of Directors to any non-cash consideration, if any, offered pursuant to such Acquisition Proposal and a copy of the definitive agreement and all related or supporting materials, including any financing documents supplied to SCGI in connection therewith (collectively, the "**Superior Proposal Notice**");

(iv) at least five Business Days have elapsed since the date the Superior Proposal Notice was received by Purchaser which five Business Day period is referred to as the "**Right to Match Period**";

(v) during any Right to Match Period, Purchaser has had the opportunity (but not the obligation), to offer to amend this Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(vi) if Purchaser has offered to amend the terms of the Arrangement during the Right to Match Period pursuant to Section 7.5(a), the Board of Directors has determined in good faith, after consultation with its outside legal and financial advisors, that such Acquisition Proposal continues to be a Superior Proposal compared to the amendment of the terms of this

Agreement offered by Purchaser at or prior to the termination of the Right to Match Period; and

(vii) SCGI shall have terminated or shall concurrently terminate this Agreement pursuant to Section 8.1(d)(i) and SCGI shall have paid or shall concurrently pay the Termination Payment pursuant to Section 8.2(a)(iii).

In addition, notwithstanding Section 7.1(a) or any other provision of this Agreement (but subject to the right of termination under Section 8.1(c)(i)), the Board of Directors may make a Change in Recommendation, provided that the requirements of clauses (i) through (vii) of this Section 7.4(a) are satisfied.

7.5 Right to Match

(a) During the Right to Match Period, Purchaser will have the opportunity, but not the obligation, to offer to amend the terms of this Agreement. The Board of Directors will review in good faith any such written offer by Purchaser to amend the terms of this Agreement in order to determine, in good faith after consultation with its outside legal counsel and financial advisors, whether Purchaser's offer to amend this Agreement, upon its acceptance, would result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal compared to the Arrangement and this Agreement subject to the amendments offered by Purchaser. If the Board of Directors determines that the Acquisition Proposal would cease to be a Superior Proposal, SCGI and Purchaser shall enter into an amendment to this Agreement reflecting the offer by Purchaser to amend the terms of this Agreement.

(b) The Board of Directors will promptly reaffirm its recommendation of the Arrangement by press release after: (i) any Acquisition Proposal is publicly announced or made to SCGI Shareholders and the Board of Directors determines it is not a Superior Proposal; or (ii) the Board of Directors determines that a proposed amendment to the terms of this Agreement would result in a previously announced Acquisition Proposal not being a Superior Proposal, and Purchaser and SCGI have so amended the terms of this Agreement. Purchaser will be given a reasonable opportunity to review and comment on the form and content of any such press release, and shall make all reasonable amendments to such press release that are requested by Purchaser and its counsel on a timely basis.

(c) Each successive amendment to any Acquisition Proposal that results in an increase in, or modification of, the consideration to be received by the SCGI Shareholders will constitute a new Acquisition Proposal for purposes of Section 7.1, provided that Purchaser shall be afforded a new five Business Day Right to Match Period in respect of such new Acquisition Proposal from the later of the date the Superior Proposal Notice was received by Purchaser in respect of such new Acquisition Proposal and the date on which Purchaser receives all of the materials set forth in Section 7.4(a)(iii) with respect to the new Acquisition Proposal.

(d) Nothing in this Agreement shall prevent the Board of Directors from responding through a directors' circular or otherwise as required by applicable Laws to an Acquisition Proposal that it determines is not a Superior Proposal. Further, nothing in this Agreement shall prevent the Board of Directors from making any disclosure to the securityholders of SCGI in response to an Acquisition Proposal, if the Board of Directors, acting in good faith and following consultation with its legal and financial advisors, shall have first determined that the failure to make such disclosure would be inconsistent with the fiduciary duties of the Board of Directors or such disclosure is otherwise required under applicable Laws, provided, however, that, notwithstanding the Board of Directors shall be permitted to make such disclosure, the Board of Directors shall not be permitted to make a Change in Recommendation, other than as permitted by Section 7.4(a).

(e) If SCGI provides Purchaser with a Superior Proposal Notice on a date that is less than five Business Days prior to the SCGI Shareholders Meeting, if requested by Purchaser, SCGI shall adjourn the SCGI Shareholders Meeting to a date that is not less than five Business Days and not more than 15 Business Days after the scheduled date of the SCGI Shareholders Meeting, provided, however, that the SCGI Shareholders Meeting shall not be adjourned or postponed to a date which would prevent the Effective Date from occurring on or prior to the Outside Date.

7.6 Notification of Certain Matters

Each party shall give prompt notice to the others of: (i) the occurrence or failure to occur of any event, which occurrence or failure would cause or would reasonably be expected to cause any representation or warranty on its part contained in this Agreement to be untrue or inaccurate in any material respect at any time from the date hereof to the Effective Time; and (ii) any failure of such party to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder prior to the Effective Time. For the avoidance of doubt, notwithstanding any other provision of this Agreement, each party acknowledges that any inadvertent failure by the other party to notify such party pursuant to this Section 7.6 of a matter shall not in and of itself entitle such party to terminate this Agreement pursuant to Section 8.1(c)(ii) *[SCGI Breach*] or Section 8.1(d)(ii) [*Purchaser Breach*], as the case may be.

7.7 Notice and Cure Provisions

No party may elect not to complete the transactions contemplated by this Agreement pursuant to the conditions set forth in Section 6.2(a), Section 6.3(a), Section 6.2(b) or Section 6.3(b), as applicable, or exercise any termination right arising therefrom or pursuant to Sections 8.1(c)(ii), 8.1(c)(iii) or 8.1(d)(ii) unless at or prior to the Effective Time, the party intending to rely thereon (the "**Terminating Party**") has delivered a written notice ("**Termination Notice**") to the other party (the "**Breaching Party**") specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Terminating Party delivering such notice is asserting as the basis for the non-fulfillment of the applicable condition or termination right, as the case may be. If any such Termination Notice is delivered with respect to a breach of covenant, representation or warranty in this Agreement that is capable of being cured before the Outside Date, provided that a Breaching Party is proceeding diligently to cure such matter, the Terminating Party may not terminate this Agreement pursuant to Section 8.1(c)(ii) [*SCGI*

Breach] or Section 8.1(d)(ii) [*Purchaser Breach*] until the expiration of a period ending the earlier of (i) 15 Business Days from the date of receipt of such notice, if such matter has not been cured by such date and (ii) the Outside Date. If such notice has been delivered prior to the date of the SCGI Meeting or the making of the application for the Final Order, SCGI shall postpone or adjourn the SCGI Meeting or delay making the application for the Final Order, or both until the expiry of such period, provided such period does not extend past the Outside Date.

7.8 Investigation by Purchaser Confidentiality

SCGI agrees to (i) provide Purchaser and its Representatives with reasonable access (without disruption to the conduct of SCGI's business) during normal business hours to all offices, properties, books, records, information, tax documents, filings, working papers and files and all other materials in its possession and control, including Material Contracts, and access to the management of and counsel to SCGI and the SCGI Subsidiaries and (ii) furnish to Purchaser such financial and operating data and other information as Purchaser may reasonably request on an as reasonably requested basis in order to allow Purchaser to conduct such investigations as Purchaser may consider necessary or advisable for strategic planning and integration, for the structuring of any Pre-Acquisition Reorganization and for any other reasons reasonably relating to the Arrangement. Nothing in the foregoing shall require SCGI to disclose information which it is prohibited from disclosing pursuant to applicable Laws, or a written confidentiality agreement or confidentiality provision of an agreement with a third party or to provide Purchaser with access to any property where SCGI is contractually or legally prohibited from doing so, provided that SCGI shall provide to Purchaser with a general indication of what information is being withheld. Investigations made by or on behalf of Purchaser, whether under this Section 7.8 or otherwise, will not waive, diminish the scope of, or otherwise affect any representation or warranty made by SCGI in this Agreement. The parties acknowledge and agree that information and access furnished pursuant to this Section 7.8 shall be subject to the terms and conditions of the Confidentiality Agreement and all applicable Laws. Purchaser agrees that by signing this Agreement, it is agreeing to be bound by the Confidentiality Agreement as a "Recipient" thereunder as if an original party thereto.

7.9 Directors' and Officers' Insurance and Indemnification

(a) Prior to the Effective Time, SCGI shall obtain and fully pay the premium for the extension of the directors' and officers' liability coverage of SCGI's and the SCGI Subsidiaries' existing directors' and officers' insurance policies for a claims reporting or run off and extended reporting period and claims reporting period of not less than six years from and after the Effective Time with respect to any claim related to any period of time at or prior to the Effective Time, provided that Purchaser shall not be required to pay any amounts in respect of such coverage prior to the Effective Date and provided further that the cost of such policies shall not exceed 200% of SCGI's current annual aggregate premium for its current directors and officers insurance, from an insurance carrier with the same or better credit rating as SCGI's current insurance carriers with respect to directors' and officers' liability insurance, and with terms, conditions, retentions and limits of liability that are, in all material respects, no less advantageous to the Indemnified Persons (as defined below) than the coverage provided under SCGI's and the SCGI Subsidiaries' existing policies with respect to any actual or alleged error,

misstatement, misleading statement, misrepresentation, act, omission, neglect, breach of duty or any matter claimed against a director or officer of SCGI or any of the SCGI Subsidiaries (each an "**Indemnified Person**") by reason of him or her serving in such capacity that existed or occurred at or prior to the Effective Time (including in connection with the approval or completion of this Agreement, the Arrangement or the other transactions contemplated by this Agreement or arising out of or related to this Agreement and the transactions contemplated hereby).

(b) Purchaser shall cause SCGI (or its successor) to honour all rights to indemnification now existing in favour of each Indemnified Person as contained in agreements contained in the Data Room and acknowledges that rights to indemnification contained in such agreements shall not be amended or rescinded in a manner adverse to the applicable Indemnified Persons, shall survive the completion of the Arrangement and shall continue in full force and effect in accordance with their terms.

(c) This Section 7.9 shall survive the consummation of the Arrangement.

7.10 Further Assurances

Subject to the terms and conditions of this Agreement including, for greater certainty, the ability of a party to terminate this Agreement in accordance with Article 8, each party hereto agrees to co-operate in good faith and to (or, to the extent not within its control, use commercially reasonable efforts to) take, or cause to be taken, all actions and to (or, to the extent not within its control, use commercially reasonable efforts to) do, or cause to be done, all things necessary, proper or advisable to consummate and make effective as promptly as is practicable the Arrangement and for the discharge by each party hereto of its respective obligations under this Agreement and the Arrangement.

ARTICLE 8
TERMINATION, AMENDMENT AND WAIVER

8.1 Term; Termination

This Agreement shall be effective from the date hereof until the Effective Time; provided that this Agreement may be terminated and the Arrangement may be abandoned at any time prior to the Effective Time:

(a) by mutual written consent of Purchaser and SCGI;

(b) by either SCGI or Purchaser, if:

(i) the Effective Time shall not have occurred on or before the Outside Date, except that the right to terminate this Agreement under this Section 8.1(b)(i) will not be available to any party whose failure to perform any of its covenants or agreements, or whose breach of any of its representations and warranties, has been the primary cause of, or resulted in, the failure of the Effective Time to occur by such date;

(ii) any court of competent jurisdiction or other Governmental Entity in Canada shall have issued any order, decree or ruling permanently enjoining or otherwise permanently prohibiting the Arrangement (unless such order, decree or ruling has been withdrawn, reversed or otherwise made inapplicable), which order, decree or ruling is final and non-appealable;

(iii) the SCGI Shareholders Meeting is duly convened and held, the Arrangement Resolution is voted on by the SCGI Shareholders and the SCGI Shareholder Approval shall not have been obtained at the SCGI Shareholders Meeting in accordance with the Interim Order; or

(iv) after the date of this Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins SCGI or Purchaser from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable.

(c) by Purchaser, if:

(i) prior to obtaining the approval of the Arrangement Resolution, (A) the Board of Directors shall have effected a Change in Recommendation, (B) the Board of Directors or SCGI shall have entered into, or has publicly announced that it proposes to enter into, a binding written agreement in respect of an Acquisition Proposal (other than a confidentiality or standstill agreement permitted pursuant to Section 7.3(a)(i)), or the Board of Directors accepts, approves, endorses or recommends (or publicly announces that it proposes to do so) an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced Acquisition Proposal for more than five Business Days after the formal announcement thereof (or beyond the second Business Day prior to the date of the SCGI Shareholders Meeting, if sooner), or (C) SCGI materially breaches any provision of Section 7.1 to Section 7.5; or

(ii) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of SCGI set forth in this Agreement shall have occurred that would cause the conditions set forth in Section 6.1 or Section 6.2 to be not satisfied by the Outside Date, provided that Purchaser is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.3 not to be satisfied; or

(iii) a Material Adverse Effect in respect of SCGI has occurred.

(d) by SCGI, if:

(i) prior to the approval of the Arrangement Resolution by the SCGI Shareholders, the Board of Directors makes a Change in Recommendation or SCGI enters into a written agreement with respect to a Superior Proposal (other than a confidentiality or standstill agreement) in

compliance with the provisions of Section 7.4(a), provided that prior to or concurrently with the entering into of that definitive agreement, SCGI is in compliance with Article 7 in all material respects and SCGI shall have paid to Purchaser the Termination Payment in accordance with Section 8.2; or

(ii) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Purchaser set forth in this Agreement shall have occurred that would cause the conditions set forth in Section 6.1 or Section 6.3 to be incapable of being satisfied by the Outside Date, provided that SCGI is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.2 not to be satisfied.

8.2 Termination Payment

(a) Purchaser shall be entitled to a cash termination payment (the "**Termination Payment**") in an amount equal to $4,000,000, upon the occurrence of any of the following events (each a "**Termination Payment Event**"), which shall be paid by SCGI at or within the time specified in respect of each such Termination Payment Event:

(i) this Agreement is terminated pursuant to Section 8.1(c)(i) *[Change in Recommendation or Acquisition Proposal]* in which case the Termination Payment shall be paid to Purchaser by 4:00 p.m. (Eastern time) on the day on which the event referred to in Section 8.1(c)(i) *[Change in Recommendation or Acquisition Proposal]* occurs;

(ii) this Agreement is terminated by the Purchaser pursuant to Section 8.1(c)(ii) *[SCGI Breach]* solely as a result of SCGI's failure to comply with the covenant of SCGI contained in Section 5.1(b)(i) or (ii) (other than a failure resulting from *de minimus* issuance, sale, grant, award, pledge, disposal or encumbrance), in which case the Termination Payment shall be paid to Purchaser on the date of termination;

(iii) this Agreement is terminated pursuant to Section 8.1(d)(i) [*Superior Proposal*], in which case the Termination Payment shall be paid to Purchaser prior to or concurrently with the occurrence of the event set forth in Section 8.1(d)(i) [*Superior Proposal*];

(iv) this Agreement is terminated by either Purchaser or SCGI pursuant to Section 8.1(b)(i) *[Failure to complete by Outside Date]* or Section 8.1(b)(iii) *[Failure to obtain SCGI Shareholder Approval]* or by Purchaser pursuant to Section 8.1(c)(ii) *[SCGI Breach]* and

(A) in respect of termination pursuant to:

(1) Section 8.1(b)(i) *[Failure to complete by Outside Date]* or Section 8.1(c)(ii) *[SCGI Breach],* following the date of this

Agreement and prior to the date of termination, an Acquisition Proposal is publicly announced or made, or any person has publicly announced an intention to make an Acquisition Proposal; or

(2) Section 8.1(b)(iii) *[Failure to obtain SCGI Shareholder Approval],* following the date of this Agreement and prior to the date of the SCGI Shareholders Meeting, an Acquisition Proposal is publicly announced or made, or any person has publicly announced an intention to make an Acquisition Proposal; and

(B) within 365 days following the date of such termination (i) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (A) above) is consummated, or (ii) SCGI or one or more SCGI Subsidiaries, directly or indirectly, in one or more transactions, enters into a Contract in respect of an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (A) above) and such Acquisition Proposal is later consummated (whether or not within 365 days after such termination),

in which case the Termination Payment shall be paid to Purchaser concurrently with the completion of such Acquisition Proposal.

For the purposes of Section 8.2(a)(iv), the term "Acquisition Proposal" shall be read such that all references to "20%" in the definition of Acquisition Proposal are references to "50%" (including any SCGI Shares owed by the person making such Acquisition Proposal. For the purposes of Section 8.2(a)(iv)(B), the term "Acquisition Proposal" shall be read to exclude any Acquisition Proposal that is a rights offering, private placement or restructuring proceeding by SCGI or the Bank.

(b) The Termination Payment shall be paid by SCGI to Purchaser by wire transfer in immediately available funds to an account specified by Purchaser.

(c) SCGI acknowledges that the agreement set out in this Section 8.2 is an integral part of the transactions contemplated by this Agreement, and that without this agreement, Purchaser would not enter into this Agreement, and that the amount set out in Section 8.2(a) in respect of the Termination Payment represents liquidated damages which are a genuine pre-estimate of the damages, including opportunity costs, which Purchaser will suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement, and is not a penalty. SCGI irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive.

(d) For greater certainty, SCGI shall not be obligated to make more than one Termination Payment under this Section 8.2 if one or more of the events specified in Section 8.2(a) occurs.

8.3 Effect of Termination Payment

Notwithstanding anything else contained herein, the parties agree that the Termination Payment to be received by Purchaser pursuant to Section 8.2 is the sole remedy in compensation or damages of Purchaser with respect to the events giving rise to the termination of this Agreement and the resulting payment of such amount, provided further that no party shall be relieved of any liability for any wilful material breach by it of this Agreement.

8.4 Amendment

This Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the SCGI Shareholders Meeting but not later than the Effective Time, be amended by mutual written agreement of the parties, subject to the Interim Order and Final Order and applicable Laws.

8.5 Waiver

At any time prior to the termination of this Agreement pursuant to Section 8.1, any party hereto may: (i) extend the time for the performance of any of the obligations or other acts of any other party hereto; or (ii) waive compliance with any of the agreements of the other party or with any conditions to its own obligations, in each case only to the extent such obligations, agreements and conditions are intended for its benefit.

ARTICLE 9
GENERAL PROVISIONS

9.1 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a party shall be in writing and may be given by delivering same or sending same by facsimile transmission, electronic mail or by delivery addressed to the party to which the notice is to be given at its address for service herein. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day, if not, the next succeeding Business Day) and if sent by facsimile transmission or electronic mail be deemed to have been given and received at the time of receipt (if a Business Day, if not, the next succeeding Business Day) unless actually received after 4:30 p.m. (Eastern Time) at the point of delivery in which case it shall be deemed to have been given and received on the next Business Day.

The address for service for each of the parties hereto shall be as follows:

(a) if to SCGI:

1 Yonge Street
Suite 2401
Toronto, ON M5E 1E5

Attn: Chief Executive Officer
Fax: **[fax number redacted]**
Email: **[email address redacted]**

with a copy (which shall not itself constitute notice) to:

Goodmans LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Attn: Tim Heeney
Fax: **[fax number redacted]**
Email: **[email address redacted]**

(b) if to Purchaser:

83 Yonge Street, Suite 300
Toronto, ON M5C 1S8

Attn: Ben Rodney, President
Fax: **[fax number redacted]**
Email: **[email address redacted]**
with a copy (which shall not itself constitute notice) to:

Borden Ladner Gervais LLP
Bay Adelaide Centre
22 Adelaide Street West
Toronto, ON, M5H 4E3

Attn: Gus Karantzoulis
Fax: **[fax number redacted]**
Email: **[email address redacted]**

9.2 Severability

If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated and the parties shall negotiate in good faith to modify the agreement to preserve each party's anticipated benefits under this Agreement.

9.3 Expenses

Except as otherwise expressly provided in this Agreement, the parties agree that all out-of-pocket expenses of the parties relating to this Agreement or the transactions contemplated under this Agreement, including legal fees, accounting fees, financial advisory fees, regulatory filing fees, stock exchange fees, all disbursements of advisors and printing and mailing costs, shall be paid by the party incurring such expenses.

9.4 Contra Proferentum

The parties waive the application of any rule of Laws which otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the party who (or whose counsel) prepared the executed agreement or any earlier draft of the same.

9.5 No Third Party Beneficiaries

This Agreement is not intended to confer on any person other than the parties, any rights or remedies except that the provisions of Section 7.9 and Section 9.8 are (a) intended for the benefit of the persons specified therein as and to the extent applicable in accordance with their terms, and will be enforceable by each of such persons and his or her heirs, executors, administrators and other legal representatives and SCGI will hold the rights and benefits of Section 7.9 and Section 9.8 in trust for and on behalf of such persons and SCGI hereby accepts such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of such persons as directed by such persons, and (b) in addition to, and not in substitution for, any other rights that such persons may have by Contract or otherwise.

9.6 Entire Agreement

This Agreement, the Confidentiality Agreement, the Guarantee and the Equity Commitment Letters (together with the Disclosure Letter, the Regulatory Commitment Letter and all other documents and instruments referred to herein) constitutes the entire agreement and supersedes all other prior agreements and undertakings, both written and oral, among the parties with respect to the subject matter hereof.

9.7 Equitable Remedies

(a) Subject to Section 8.2(c) the parties agree that irreparable harm would occur for which money damages, even if available, would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed (including failing to take such actions as are required of it hereunder to consummate the transactions contemplated by this Agreement) in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to injunctive relief, specific performance or other equitable relief to prevent or restrain breaches or threatened breaches of this Agreement, and to enforce compliance with the terms of this Agreement without the proof of actual damages and without any requirement for the securing or posting of any bond or other security in connection with the obtaining of any such injunctive or other equitable relief. Subject to Section 8.3, such remedies shall not

be the exclusive remedies for breach of this Agreement, but shall be in addition to any other remedy to which the parties may be entitled at law, in equity or pursuant to this Agreement. The parties further agree that nothing set forth in this Section 9.7 shall require any party to institute any proceeding for (or limit any party's right to institute any proceeding for) specific performance or other equitable relief under this Section 9.7 prior or as a condition to exercising any termination right under Article 8 (and pursuing damages after such termination), nor shall the commencement of any legal proceeding restrict or limit any party's right to terminate this Agreement in accordance with the terms of Article 8 or, subject to Section 8.3, pursue any other remedies under this Agreement that may be available then or thereafter.

(b) Subject to Section 8.3, neither the termination of this Agreement nor anything contained in Article 8 (including without limitation, the payment of any Termination Fee) or this Section 9.7 shall relieve or have the effect of relieving any party in any way from liability for damages incurred or suffered by the other party as a result of fraud or willful or intentional breach.

9.8 No Personal Liability

No director or officer of the SCGI Group shall have any personal liability whatsoever to Purchaser under this Agreement or any other document delivered in connection with this Agreement or the Arrangement by or on behalf of SCGI. This Section 9.8 shall survive the consummation of the Arrangement and is intended to be for the benefit of, and shall be enforceable by, each director or officer of the SCGI Group and his or her heirs, executors, administrators and personal representatives and shall be binding on SCGI and its successors and assigns and, for such purpose, SCGI hereby confirms that it is acting as agent and trustee on behalf of each such person.

9.9 Privacy

Purchaser shall comply with applicable privacy Laws in the course of collecting, using and disclosing personal information about an identifiable individual it receives from the SCGI Group or its Representatives (the "**Transaction Personal Information**"). Purchaser shall not disclose Transaction Personal Information to any person other than to its advisors who are evaluating and advising on the Arrangement. If Purchaser completes the Arrangement, Purchaser shall not, following the Effective Date, without the consent of the individuals to whom such Transaction Personal Information relates or as permitted or required by applicable Law, use or disclose Transaction Personal Information:

(a) for purposes other than those for which such Transaction Personal Information was collected by the SCGI Group prior to the Effective Date; and

(b) which does not relate directly to the carrying on of the business of the SCGI Group or to the carrying out of the purposes for which the Arrangement was implemented.

Purchaser shall protect and safeguard the Transaction Personal Information against unauthorized collection, use or disclosure. Purchaser shall cause its advisors to observe the terms of this

Section 9.9 and to protect and safeguard Transaction Personal Information in their possession. If this Agreement shall be terminated, Purchaser shall promptly deliver to SCGI all Transaction Personal Information in its possession or in the possession of any of its advisors, including all copies, reproductions, summaries or extracts thereof.

9.10 Assignment

This Agreement shall not be assigned by operation of Laws or otherwise other than as expressly permitted by this Agreement. This Agreement may be assigned by SCGI with the prior written consent of Purchaser and may be assigned by Purchaser with the prior written consent of SCGI.

9.11 Governing Laws

This Agreement shall be governed in all respects, including validity, interpretation and effect, by the Laws of the Province of Ontario and the federal Laws of Canada applicable therein, without giving effect to any principles of conflict of Laws thereof that would result in the application of the Laws of any other jurisdiction, and all actions and proceedings arising out of or relating to this Agreement shall be heard and determined exclusively in the courts of the Province of Ontario.

9.12 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce more than one counterpart. The parties shall be entitled to rely upon delivery of an executed facsimile, PDF email transmission or similar executed electronic copy of this Agreement, and such facsimile, PDF email transmission or similar executed electronic copy shall be legally effective to create a valid and binding agreement among the parties.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date first above written, by the duly authorized representatives of the parties hereto.

RFA CAPITAL HOLDINGS INC.

Per: *"Ben Rodney"*
Name: Ben Rodney
Title: President

STREET CAPITAL GROUP INC.

Per: *"Lea Ray"*
Name: Lea Ray
Title: Director

Per: *"Carrie Russell"*
Name: Carrie Russell
Title: Director

SCHEDULE A
PLAN OF ARRANGEMENT

[See Appendix D to Management Information Circular]

SCHEDULE B
ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF STREET CAPITAL GROUP INC. ("SCGI") THAT:

1. The arrangement ("**Arrangement**") under section 182 of the OBCA, all as more particularly described and set forth in the plan of arrangement attached as Exhibit A to the management information circular of SCGI dated [_____], 2019 (as it may be amended from time to time in accordance with the Arrangement Agreement, the "**Plan of Arrangement**"), and all transactions contemplated thereby are approved and authorized.

2. The Plan of Arrangement and the completion of each of the steps described in the Plan of Arrangement (whether contemplated as part of the Plan of Arrangement or otherwise) are approved and authorized.

3. The arrangement agreement dated June 14, 2019 among SCGI and RFA Capital Holdings Inc. (as it may be amended from time to time, the "**Arrangement Agreement**") and all transactions contemplated therein, and the actions of the directors of SCGI in approving the Arrangement, the Plan of Arrangement and the Arrangement Agreement and the actions of the directors and officers of SCGI in executing and delivering the Arrangement Agreement and causing the performance by SCGI of its obligations thereunder, are approved and confirmed.

4. SCGI is authorized to apply for a final order from the Court to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended from time to time in accordance with the Arrangement Agreement).

5. Notwithstanding that this resolution has been duly passed by the shareholders of SCGI or that the Arrangement has been approved by the Court, the directors of SCGI are authorized, without further notice to, or approval of, the shareholders of SCGI (i) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement, and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and to revoke this resolution at any time prior to the Effective Time (as defined in the Arrangement Agreement).

6. Each officer or director of SCGI is authorized, on behalf of SCGI, to execute, with or without corporate seal, and, if appropriate, deliver for filing with the Director under the OBCA articles of arrangement and such other documents and instruments and do all other things as are necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action.

7. Each director and officer of SCGI is authorized to do all such acts and things and to execute and deliver all such documents as in such director's or officer's opinion may be

necessary or desirable to complete the transactions hereby approved and authorized, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of any such act or thing.

8. All capitalized terms not defined above have the meanings given to them in the Arrangement Agreement.

SCHEDULE C
REPRESENTATIONS AND WARRANTIES OF SCGI

SCGI hereby represents and warrants to and in favour of Purchaser as follows, and acknowledges that Purchaser is relying upon such representations and warranties in connection with the entering into of this Agreement, subject in each case to such exceptions (in each case to the extent that the relevance of the applicable disclosure as an exception to the applicable representations and warranties would be reasonably apparent to an individual who has read that disclosure and such representations and warranties), (a) as are set forth in the Disclosure Letter or (b) except in the case of Section C.22(b), as may otherwise be provided in those SCGI Public Documents filed on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at least one Business Day prior to the date hereof, but (i) without giving effect to any amendment thereof filed on SEDAR after the date that is one Business Day prior to the date hereof; and (ii) excluding any risk factor disclosures contained in such documents under the heading "Risk Factors" and any disclosure of risks or other matters that are not historical facts included in any "forward looking statements" disclaimer or other statements that are cautionary, predictive or forward looking in nature):

1. Organization and Qualification. SCGI is a corporation validly existing under the laws of the Province of Ontario and SCGI has the requisite corporate or legal power, capacity and authority to own its properties and assets as now owned and to carry on its business as it is now being conducted. The Active SCGI Entities: (i) have not commenced, approved, authorized or taken any act or proceedings or any action in furtherance of proceedings in respect of any Active SCGI Entity under any applicable bankruptcy, insolvency, restructuring, reorganization, administration, winding up, liquidation, dissolution, or similar Law; and (ii) are not and have not been subject to any actions taken or proceedings commenced by creditors or other persons for or in respect of the bankruptcy, receivership, insolvency, restructuring, reorganization, administration, winding-up, liquidation or dissolution of any of the Active SCGI Entities, or any material property or assets of any of the Active SCGI Entities.

2. Authority of SCGI Relative to this Agreement. SCGI has the requisite power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement by SCGI and the performance by SCGI of its obligations under this Agreement have been duly authorized by the Board of Directors, and, subject to receipt of the SCGI Shareholder Approval, the Interim Order and the Final Order in the manner contemplated in this Agreement, and filings under the OBCA (including the filing of the Articles of Arrangement), no other corporate proceedings on the part of SCGI are necessary to authorize this Agreement or the transactions contemplated by this Agreement. This Agreement has been duly executed and delivered by SCGI and constitutes a legal, valid and binding obligation of SCGI enforceable against it in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

3. Compliance with Laws. Except as set forth in Schedule C.3 of the Disclosure Letter, SCGI and the SCGI Subsidiaries are in compliance with the requirements of all

applicable Laws which affect it or its business or assets or to which it is subject (but excluding Laws regarding (a) Taxes, which are covered exclusively by Section 19 of this Schedule, (b) non-Bank Act mortgage Laws, which are covered exclusively by Section 23 of this Schedule, (c) Privacy Laws, which are covered exclusively by Section 32 of this Schedule, and (d) corrupt practices and money laundering, which are covered exclusively by Section 30 of this Schedule) (the "**Subject Laws**"), except for such instances where the failure to comply would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect with respect to SCGI. Except as set forth in Schedule C.3 of the Disclosure Letter, the SCGI Group has not received within the last 12 months any written notice or other written communication from any Governmental Entity or any existing or proposed class of plaintiffs with respect to a violation and/or a failure to comply with the Subject Laws in any material respect. The execution and delivery of this Agreement will not violate any Subject Laws.

4. Fairness Opinion. The Board of Directors has received the Fairness Opinion and the Fairness Opinion has not been withdrawn or modified.

5. Material Contracts. Schedule C.5(a) of the Disclosure Letter sets out a complete list of all Material Contracts. Except as set out in Schedule C.5(b) of the Disclosure Letter:

   (a) Prior to the date hereof, SCGI has made available to Purchaser true and complete copies of all of the Material Contracts in the Data Room.

   (b) Neither SCGI nor any of the SCGI Subsidiaries is in breach or default under any Material Contract to which it is a party or bound, nor does SCGI have knowledge of any condition that with the passage of time or the giving of notice or both would result in such a breach or default, except in each case where any such breaches or defaults would not result in a Material Adverse Effect in respect of SCGI.

   (c) Neither SCGI nor any of the SCGI Subsidiaries knows of, or has received written notice of, any breach or default under (nor, to the knowledge of SCGI, does there exist any condition which with the passage of time or the giving of notice or both would result in such a breach or default under) any such Material Contract by any other party thereto except where any such violation or default would not result in a Material Adverse Effect in respect of SCGI.

   (d) All the Material Contracts are legal, valid, binding and in full force and effect and are enforceable by SCGI or one of the SCGI Subsidiaries, as the case may be, in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency and other applicable Laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

   (e) To the knowledge of SCGI, there are no circumstances that are reasonably likely to adversely affect the ability of SCGI and the Bank to perform their respective material obligations under any Material Contract.

6. Reports. SCGI has filed all documents or information required to be filed by it under applicable Securities Laws or with the TSX since January 1, 2017 (collectively, the "**SCGI Public Documents**"). SCGI Public Documents at the time filed: (a) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (b) complied in all material respects with the requirements of applicable Laws in effect at the time of filing. As of the date hereof, SCGI has not failed to make any public disclosure or any amendment or modification to SCGI Public Documents required to be filed or made by it under applicable Laws. SCGI has established and maintains a system of disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed by SCGI in its annual filings, interim filings or other reports filed or submitted by it under applicable Securities Laws are recorded, processed, summarized and reported within the time periods specified in applicable Securities Laws.

7. Subsidiaries.

(a) Schedule C.7(a) of the Disclosure Letter lists all of the SCGI Subsidiaries. Except as set forth in Schedule C.7(a) of the Disclosure Letter, as of the date hereof, SCGI does not, directly or indirectly, beneficially own any capital stock, or options, rights, entitlements or commitments (contingent or otherwise) to acquire any share of capital stock, of any entity other than the SCGI Subsidiaries (other than any Subsidiaries which are inactive and have no material assets and no material liabilities).

(b) Each of the Active SCGI Entities that is a corporation is validly subsisting under its respective laws of incorporation and has all requisite corporate power and authority to carry on its business as now conducted and to own or lease and to operate its properties and assets.

(c)

(i) SCGI is, directly, the legal and beneficial owner of all of the outstanding equity securities of SC Acquisitionco Ltd.;

(ii) SC Acquisitionco Ltd. is, directly, the legal and beneficial owner of all of the outstanding equity securities of Bank;

(iii) Bank is, directly, the legal and beneficial owner of all of the outstanding equity securities of Street Capital Mortgage Corp.;

in each case, free and clear of any Encumbrances.

(d) There is no agreement in force or effect to which SCGI or the Active SCGI Entities are a party which in any manner affects or will affect the voting control of any of the securities of SCGI or the Active SCGI Entities. To the knowledge of SCGI, there is no agreement in force or effect which in any manner affects or will affect the voting control of any of the securities of SCGI.

8. Reporting Issuer Status. As of the date hereof, SCGI is a "reporting issuer" or the equivalent thereof in good standing under the applicable Securities Laws of each of the provinces of Canada.

9. Capitalization and Listing.

(a) SCGI is authorized to issue an unlimited number of SCGI Shares. As of the close of business on June 14, 2019, there were outstanding (i) 122,184,182 SCGI Shares, (ii) 6,930,629 Options, (iii) 146,589.7 DSUs and (iv) 2,848,654 RSUs. Except for the SCGI Shares there are no other shares of any class or series in the capital of SCGI outstanding. Except for the Options, DSUs and the RSUs and this Agreement, there are no options, warrants, convertible securities or other rights, shareholder rights plans, agreements or commitments of any character whatsoever (pre-emptive, contingent or otherwise) requiring or which may require the issuance, sale or transfer by SCGI of any securities of SCGI (including SCGI Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any shares of or other equity or voting interests in SCGI (including SCGI Shares). Except for the Voting Agreements entered into in connection with this Agreement and the Arrangement, SCGI does not have knowledge of any voting agreements with respect to any shares in the capital of or other equity or voting interests in SCGI or the Bank and, to the knowledge of SCGI, as of the date hereof, there are no irrevocable proxies and no voting agreements with respect to any shares in the capital of, or other equity or voting interests in, SCGI or the Bank.

(b) Schedule C.9 of the Disclosure Letter sets forth, with respect to each Option, DSU and RSU outstanding as of the date hereof: (i) the number of SCGI Shares issuable therefore or the aggregate cash amount payable in respect thereof, as applicable; (ii) the date on which such Option, DSU or RSU was granted; (iii) the strike price or exercise price, to the extent applicable, of such Option, DSU, or RSU, and (iv) the name of the registered holder of such Option, DSU or RSU. All of the Options, DSUs and RSUs will vest and become exercisable or redeemable as a result of the completion of the Arrangement.

(c) The SCGI Shares are listed on the TSX and are not listed on any stock exchange other than the TSX. SCGI is in material compliance with the rules of the TSX.

10. No Conflict. Except as disclosed in Schedule C.10 of the Disclosure Letter, none of (i) the execution and delivery of this Agreement or any document or instrument to be executed and delivered by any of SCGI or any SCGI Subsidiary, as applicable, pursuant hereto; or (ii) the performance and compliance with the terms of this Agreement and any documents or instruments to be executed and delivered by any of SCGI or any SCGI Subsidiary, as applicable, pursuant hereto would in the case of (i) or (ii) above result in any breach of, or be in conflict with or constitute a default under or create a state of facts, which (whether after notice or lapse of time or both) would constitute a default under or result in a right of termination or acceleration under, or result in the creation of any Encumbrance (other than a Permitted Encumbrance) upon any of the properties or assets of a member of the SCGI Group or cause any indebtedness to come

due before its stated maturity or cause any credit to cease to be available, under (A) the terms, conditions or provisions of their respective constating or governing documents, including, without limitation, articles, by-laws, partnership agreements or any resolutions of their respective directors, partners or shareholders, as applicable; (B) any agreement, instrument or other document to which they are a party, respectively, or by which they or their respective property or assets are bound; (C) any judgment, decree, order, statute, rule or regulation applicable to any of them; or (D) any provision that would give rise to any rights of first refusal or rights of first offer, trigger any change in control provisions or any restriction or limitation under any such agreement, instrument or other document, or result in the imposition of any Encumbrance (other than a Permitted Encumbrance) upon any of SCGI's assets or the assets of any of the SCGI Subsidiaries, except, in the case of (B), (C) or (D), any breach, conflict or default which would not have a Material Adverse Effect.

11. Third Party Consents. Except as disclosed in Schedule C.11 of the Disclosure Letter or contemplated in this Agreement, no consent, waiver or approval from any other party to any Material Contract is (i) required to be obtained by SCGI or any SCGI Subsidiary in connection with the consummation by SCGI of the Arrangement, or (ii) required in order to maintain the Material Contracts of the SCGI Group in full force and effect, or to avoid any default or breach thereunder, immediately upon and following the consummation of the Arrangement.

12. Governmental Authorizations. The execution, delivery and performance by SCGI of this Agreement and the consummation of the transactions contemplated hereby require no action by or in respect of, or filing with, any Governmental Entity other than (i) the Required Regulatory Approvals, (ii) compliance with any applicable Securities Laws, stock exchange rules and policies and (iii) any actions or filings the absence of which would not reasonably be expected to be material to the business of the SCGI Group, taken as a whole.

13. Financial Statements.

    (a) The audited consolidated financial statements of SCGI as at and for each of the fiscal years ended on December 31, 2017 and December 31, 2018 and the unaudited condensed consolidated interim financial statements as at and for the three months ended March 31, 2019 (the "**SCGI Financial Statements**"), including the notes thereto and the reports by SCGI's auditors thereon have been prepared in accordance with IFRS (except (i) as disclosed in such financial statements and (ii) in the case of unaudited condensed consolidated interim statements, are subject to normal period-end adjustments and may omit notes which are not required by applicable Laws in the unaudited statements) and fairly present in all material respects the consolidated financial position, results of operations and changes in financial position of the SCGI Group as of the dates thereof and for the periods indicated therein.

    (b) The SCGI Group maintains a process of internal control over financial reporting (as such term is defined in National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) for SCGI providing reasonable

assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS and has otherwise complied with National Instrument 52-109. To the knowledge of SCGI, there are no material deficiencies or weaknesses in the design or operation of the internal control over financial reporting that are reasonably likely to adversely affect SCGI's ability to record, process, summarize and report financial information, and there is no fraud, whether or not material, that involved or involves management or other employees who have a role in the internal control over financial reporting of SCGI.

(c) None of SCGI or any of the SCGI Subsidiaries has any collateralized loan obligations or collateralized debt obligations.

(d) To SCGI's knowledge, as of March 31, 2019, there was no impairment of mortgages that was in excess of the provision set forth in SCGI's financial statements filed on SEDAR in respect of SCGI's most recent fiscal period, other than in the ordinary course of business;

(e) Schedule C.13(e) of the Disclosure Letter sets forth the Bank's capital ratios as of May 31, 2019.

(f) To SCGI's knowledge, allowance for credit losses recorded in the SCGI Financial Statements reflect in aggregate an amount adequate to absorb all incurred credit losses in the loan and mortgage portfolio of SCGI and the SCGI Subsidiaries under financial and economic conditions and security values existing as of December 31, 2018.

14. Employment Matters.

(a) All employment Contracts with total annual compensation in excess of $250,000 are set forth in Schedule C.14(a) of the Disclosure Letter, and full and complete copies of such employment Contracts have been made available to Purchaser. Except as disclosed on Schedule C.14(a) of the Disclosure Letter, SCGI and the SCGI Subsidiaries are in material compliance with all employment Contracts and have not received any written notice from any employee or consultant that any term of such a Contract has been breached, and are not aware of any such breach.

(b) To the knowledge of SCGI, there are no labour proceedings pending or unfair labour practice complaints threatened before any Governmental Entity in any jurisdiction with respect to SCGI or any SCGI Subsidiaries that would reasonably be expected to have a Material Adverse Effect; (ii) to the knowledge of SCGI, there is no labour strike, work stoppage or lockout pending or threatened against SCGI or any SCGI Subsidiaries that would reasonably be expected to have a Material Adverse Effect; (iii) to the knowledge of SCGI, there is no pending or threatened attempt to organize a bargaining unit in respect of any employees of SCGI or any SCGI Subsidiary; and (iv) none of SCGI or any SCGI Subsidiary is a party to or bound by any Collective Agreements and no Collective Agreement is currently being negotiated by SCGI or any SCGI Subsidiary

(c) Other than as disclosed on Schedule C.14(c) of the Disclosure Letter, neither SCGI nor any of the SCGI Subsidiaries has entered into any written or oral agreement or understanding providing for severance or termination payments to any director or officer in connection with the termination of their position as a direct result of a direct or indirect change in control of SCGI or any SCGI Subsidiary.

(d) Schedule C.14(d)of the Disclosure Letter contains a true and complete list of all material employee benefit plans relating to employees or employee benefits of a member of the SCGI Group (individually, referred to as a "**SCGI Plan**" and, collectively, referred to as the "**SCGI Plans**"), including all plans, agreements, arrangements or policies relating to employment, sick pay, retirement or leave, vacation pay or severance pay, deferred or incentive compensation, pension, profit sharing, retirement income or other benefits, stock purchase and stock option plans, bonuses, severance arrangements, health benefits, disability benefits, insurance benefits and all other employee benefits or fringe benefits including any registered pension benefit plans, in each case other than those required by Law and other than statutory plans or social security.

(e) Except as disclosed in Schedule C.14(e) of the Disclosure Letter:

(i) true and complete copies of each SCGI Plan or a summary thereof have been provided to Purchaser prior to the date hereof;

(ii) each SCGI Plan has been established, administered and operated in all material respects in accordance with the terms thereof and applicable Law,

(iii) other than routine benefits claims and claims in the ordinary course of the business of SCGI and the SCGI Subsidiaries with respect to the SCGI Plans, there are no actions, suits or, to the knowledge of SCGI, claims pending with respect to any SCGI Plan, and

(iv) other than as required by applicable Laws, SCGI and the SCGI Subsidiaries do not maintain any SCGI Plan which provides post-retirement benefits to employees.

(f) SCGI has made all material contributions and paid all material premiums in respect of each SCGI Plan in a timely fashion in accordance with the terms of each SCGI Plan and applicable Laws. All material contributions required to be remitted to the SCGI Plans have been remitted in a timely fashion in accordance with the terms thereof and all applicable Laws. No SCGI Plan is or is intended to be a "registered pension plan" as such term is defined in the *Tax Act*.

15. Assets.

(a) Except as disclosed in Schedule C.15 of the Disclosure Letter, as of the date hereof, neither SCGI, nor any of the Active SCGI Entities, nor any agents acting on their respective behalves, have approved or entered into any agreement in respect of the purchase of any material property or the sale, transfer or other

disposition of any material property currently owned, directly or indirectly, by SCGI or any of the SCGI Subsidiaries whether by asset sale, transfer of shares, or otherwise.

(b) Each of SCGI or the Bank has good and valid title to, or a valid and enforceable leasehold interest in, all material property and material assets owned or leased by it, as the case may be, free and clear of any Encumbrances, other than Permitted Encumbrances.

16. Undisclosed Liabilities.

(a) Except (i) for liabilities and obligations incurred in the ordinary course of business and similar in character and amount to the liabilities and obligations set forth in SCGI Public Documents that have been made available to the public on SEDAR at least one Business Day prior to the date hereof, or (ii) as disclosed in the Disclosure Letter, neither SCGI nor any of the SCGI Subsidiaries has any liabilities of a nature required by IFRS to be reflected in the SCGI Financial Statements.

(b) Neither SCGI nor the Bank is a party to, or has any commitment to become a party to, any off balance sheet partnership or any similar agreement (including any agreement or arrangement relating to any transaction or relationship between or among SCGI or any of the SCGI Subsidiaries, on the one hand, and any unconsolidated entity, including any structured finance, special purpose, or limited purpose entity or person, on the other hand) or any "off balance sheet arrangements" (as defined in the instructions of Form 51-102F1 of National Instrument 51-102 - Continuous Disclosure Obligations) where the result, purpose or effect of such agreement or arrangement is to avoid disclosure, of any material transaction involving, or material liabilities of, SCGI or the Bank in SCGI's or the Bank's financial statements or any other documents filed by SCGI under applicable Securities Laws.

17. Proceedings.

(a) Except as disclosed in Schedule C.17 of the Disclosure Letter, there is no action, proceeding or investigation by a Governmental Entity pending or, to the knowledge of SCGI, threatened against or relating to SCGI or any of the SCGI Subsidiaries, nor, to knowledge of SCGI, are there any events or circumstances which would reasonably be expected to give rise to any such claim, action, proceeding or investigation.

(b) Except as disclosed in Schedule C.17 of the Disclosure Letter, there are no actions, suits, arbitrations, proceedings, inquiries, material outstanding awards or investigations pending or, to the knowledge of SCGI, threatened against or affecting SCGI or any of the SCGI Subsidiaries at law or in equity or before any Governmental Entity that would be material to the SCGI Group.

(c) No Governmental Entity has issued any order or ruling having the effect of suspending or ceasing the trading of the Shares, nor, to the knowledge of SCGI, are any such orders or rulings contemplated or threatened.

18. Records. Except as disclosed in Schedule C.18 of the Disclosure Letter or as would not result in a Material Adverse Effect in respect of SCGI, the minute books of SCGI and the Active SCGI Entities as provided to Purchaser are complete and accurate in all material respects and contain complete and accurate minutes of all meetings of directors and committees thereof and shareholders held since their respective dates of formation or incorporation (other than minutes relating to SCGI's strategic process and the Arrangement), and all such meetings were duly called and held, the unit or share certificate books, registers of shareholders and shareholders, registers of transfers and registers of directors and directors of SCGI and the Active SCGI Entities are complete and accurate.

19. Taxes. Except as described on Schedule C.19 of the Disclosure Letter:

(a) All material Tax Returns required by applicable Laws to be filed with any Governmental Entity by, or on behalf of, the Active SCGI Entities have been filed when due in accordance with all applicable Laws (taking into account any applicable extensions), and all such Tax Returns are, or shall be at the time of filing, true and complete in all material respects.

(b) SCGI Group has paid on a timely basis all material Taxes which are due and payable, all material assessments and reassessments, and all other Taxes due and payable by them on or before the date hereof other than those which are being or have been contested in good faith and in respect of which reserves have been provided in the most recently published consolidated financial statements of SCGI Group. SCGI has provided adequate accruals in accordance with IFRS in the most recently published consolidated financial statements of SCGI Group for any Taxes of SCGI Group for the period covered by such financial statements that have not been paid whether or not shown as being due on any Tax Returns. Since such publication date, no material liability in respect of Taxes not reflected in such statements or otherwise provided for has been assessed, proposed in writing to be assessed, incurred or accrued, other than in the ordinary course of business.

(c) No material deficiencies, litigation, or proposed adjustments exist or have been asserted with respect to Taxes of SCGI Group, and SCGI Group is not a party to any action or proceeding for assessment or collection of Taxes and no such event has been asserted or, to the knowledge of SCGI, threatened against SCGI Group or any of their respective assets, excluding, in all such cases, any such events that have been resolved.

(d) There are no currently effective material elections, agreements or waivers extending the statutory period or providing for an extension of time with respect to the assessment or reassessment of any material Taxes, or of the filing of any material Tax Return or any payment of material Taxes, by SCGI Group.

(e) No claim has been made by any Government Entity in a jurisdiction where SCGI Group does not file Tax Returns that SCGI Group is or may be subject to Tax by that jurisdiction.

(f) There are no liens (other than Permitted Encumbrances) with respect to Taxes upon any of the assets of SCGI Group.

(g) SCGI Group has withheld or collected all material amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity when required by Law to do so.

(h) SCGI Group has made available to Purchaser true, correct and complete copies of all material Tax Returns, examination reports and statements of deficiencies for taxable periods, or transactions consummated, for which the applicable statutory periods of limitations have not expired.

(i) SCGI Group has not directly or indirectly transferred any property to or acquired any property from a person with whom it was not dealing at arm's length (for the purposes of the Tax Act) for consideration other than consideration equal to the fair market value of the property at the time of the transfer or acquisition of the property.

(j) All of the non-capital losses described in the loss continuity schedule filed with the Tax Returns filed on or before the date hereof by Bank and SC Acquisitionco Ltd. for taxation years ending on or before the Closing Date (the "**NOLs**") were incurred in carrying on the same business as currently operated by Bank and SC Acquisitionco Ltd. Such business has not, at any point in time, been discontinued before the Effective Date. The NOLs are accurately reflected in the Tax Returns and are available for application under paragraph 111(1)(a) of the Tax Act and are not restricted by any previous acquisition of control (excluding, for greater certainty, any restriction resulting from the acquisition of control resulting from the transactions contemplated by this Agreement).

(k) There are no circumstances existing which could result in the application of Section 78 or Sections 80 to 80.04 of the Tax Act, or any equivalent provision under provincial Law, to SCGI Group.

(l) SCGI is not a non-resident of Canada within the meaning of the Tax Act.

(m) SCGI is not a party to any indemnification, allocation or sharing agreement with respect to Taxes that could give rise to a payment or indemnification obligation (other than agreements among the SCGI Group and customary commercial agreements the primary subject of which is not Taxes).

20. No "Collateral Benefit". Except as set forth on Schedule C.20 of the Disclosure Letter, to the knowledge of SCGI, no related party of SCGI (within the meaning of MI 61-101), together with its associated entities, beneficially owns or exercises control or direction over 1% or more of the outstanding SCGI Shares, except for related parties who will not

receive a "collateral benefit" (within the meaning of MI 61-101) as a consequence of the transactions contemplated by this Agreement.

21. Non-Arm's Length Transactions. Except as set forth on Schedule C.21 of the Disclosure Letter, and other than amounts owing between members of the SCGI Group, neither SCGI nor any SCGI Subsidiary is indebted to any other member of the SCGI Group, or to any director, officer, employee, affiliate or associate of SCGI, a SCGI Subsidiary, or any of its or their respective affiliates or associates (except among SCGI and the SCGI Subsidiaries or for amounts due as salaries, bonuses, other remuneration and reimbursement of expenses in the ordinary course of business), and no director, officer, employee, affiliate or associate of SCGI or a SCGI Subsidiary or any of their respective affiliates or associates is a party to any contract, loan, advance, guarantee or other transaction with SCGI or a SCGI Subsidiary required to be disclosed pursuant to applicable Securities Laws or IFRS and that has not been disclosed.

22. Absence of Certain Changes or Events. Since December 31, 2018:

(a) except as set forth on Schedule C.22 of the Disclosure Letter, SCGI and the SCGI Subsidiaries have conducted their respective activities and businesses in the ordinary course of business and have not taken any action that would be violation of Section 5.1 of this Agreement (with the exceptions noted in Schedule 5.1 of the Disclosure Letter) if such provision had been in effect since that date, other than violations which would not be material to the business of the SCGI Group, taken as a whole; and

(b) there has not been a Material Adverse Effect in respect of SCGI.

23. Compliance with Non-Bank Act Mortgage Legislation and Guidelines.

(a) The Bank is an Approved Lender, is approved to originate and service mortgages insured by CMHC, to the extent required under such insurance, is not, to the knowledge of SCGI, on any CMHC watch list and has not been notified by CMHC of any concerns regarding the Bank's Approved Lender designation, and CMHC has placed no restrictions on the Bank's ability to lend funds in respect of the type of Mortgage Loans currently issued by the Bank.

(b) The Bank is an "approved Issuer" under the Mortgage-Backed Securities Program made pursuant to the NHA, and an "approved Seller" under the CMB Program and may issue mortgage-backed securities backed by pools of residential mortgages insured under the NHA ("**NHA MBS**") and transfer to CMHC all of its right, title and interest in mortgages and related security on which the NHA MBS or CMB are based.

(c) The Bank is an "approved insured" (or equivalent) by Genworth and Canada Guaranty and is in compliance, in all material respects, with all requirements imposed by Genworth and Canada Guaranty, and neither Genworth nor Canada Guaranty has (i) placed any restrictions on the Bank's ability to lend funds in respect of the type of Mortgage Loans currently issued by the Bank; or (ii)

provided written notice or otherwise indicated that it would not insure any Mortgage Loans currently issued by the Bank.

(d) The Bank has acted and continues to act, and has directed its administrators and sub-servicers to act, in compliance, in all material respects, with their own then current internal policies, procedures and guidelines and the then current policies and guidelines of CMHC, Genworth and Canada Guaranty, as applicable, in relation to the origination and servicing of Mortgage Loans.

(e) Each member of the SCGI Group holds, and has held for the past three years, all permits, licences, authorizations, registrations and certificates (collectively "**Permits**") material to the business of the Bank, including, for greater certainty, all Permits relating to or arising from Laws applicable to the administration, funding, servicing, subservicing, transfer or origination of Mortgage Loans, to the extent applicable to the business of the Bank.

24. Mortgage Records and Documents. The Bank has underwritten Mortgage Loans in material compliance with the Bank's Origination Policy. The records, files, data tape and documents relating to the underwriting, servicing and administration of Mortgage Loans underwritten, held or serviced by (or on behalf of) the Bank, or in which the Bank otherwise has an interest (this representation being made to the knowledge of the Bank in the case of such records and documents maintained on behalf of the Bank by any sub-servicer or sub-administrator) are in accordance with the Policies in all material respects in effect at the relevant time and contain all of the documents and information that a prudent lender, administrator or servicer of similar assets would obtain or maintain at the time of the origination thereof and throughout the term of such Mortgage Loans.

25. Mortgage Loans.

(a) Each Mortgage Loan underwritten, originated or serviced by the Bank (a "**Subject Mortgage Loan**") is in full force and effect and constitutes the valid and binding obligation of the parties thereto, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization and other laws of general application limiting the enforcement of creditors' rights generally and to the fact that specific performance is an equitable remedy only in the discretion of the court.

(b) The Bank has not received any notice from a Governmental Entity of any material violation of any applicable Laws relating to the Subject Mortgage Loans in aggregate (for greater certainty, any violation of applicable Laws that affects the enforceability or collectability of a Subject Mortgage Loan is deemed to be a material violation of such Subject Mortgage Loan).

(c) To the knowledge of SCGI, each Mortgage Loan File contains all material facts relating to each Subject Mortgage Loan as of the date of such Mortgage Loan File in accordance with the Credit and Collection Policy.

(d) The Bank is in possession or control of all of the Mortgage Loan Files in respect of all of the Mortgage Loans.

(e) Except in the ordinary course of business, or in accordance with the Credit and Collection Policy and as reflected in the related Mortgage Loan File (i) no portion of any Related Property has been released from the mortgage securing the related Mortgage Loan and no Related Security has been released or subordinated, and (ii) the Bank has not waived any material default, breach, violation or event of acceleration under the related Mortgage Loan. No property secured under a Mortgage Loan comprises a leasehold interest.

(f) The aggregate of claims for deficiencies that have been made in the past five years under any Mortgage Insurance by or on behalf of the Bank and that were either rejected or not fully covered by either CMHC, Genworth or Canada Guaranty solely as a result of the underwriting or quality of servicing of the Bank does not exceed $2 million.

(g) All premiums and taxes which are due and payable in respect of Mortgage Insurance with CMHC, Canada Guaranty or Genworth have been paid in full.

26. Other Mortgage Insurance. All Mortgage Loans are title insured with a lender policy or equivalent with one of First Canadian Title, Chicago Title, Stewart Title or Title Plus to the extent required under the then current Origination Policy.

27. No Deficiency. The Bank has received confirmation of coverage with respect to each insured Mortgage Loan for the entire unpaid principal amount of such Mortgage Loan and any unpaid interest thereunder under a valid Mortgage Insurance policy consistent with past practice and subject to the terms and conditions of such Mortgage Insurance policies.

28. Intellectual Property. SCGI or a SCGI Subsidiary owns or has the right to use all Intellectual Property required to carry on the business of the Active SCGI Entities as currently conducted in all material respects. There has been no claim of infringement by SCGI or a SCGI Subsidiary or breach by SCGI or SCGI Subsidiary of any Intellectual Property rights or industrial design rights of any other person, and neither SCGI or a SCGI Subsidiary has received any notice that the conduct of its business infringes on any Intellectual Property rights or industrial rights of any other person.

29. Real Property.

(a) Neither SCGI nor any of the Active SCGI Entities owns any real property.

(b) Section C.29(b) of the Disclosure Letter contains a complete list of all leases, subleases and other similar agreements (an all amendments or modifications thereto) under which SCGI or any of the Active SCGI Entities uses or occupies or has the right to use or occupy, now or in the future, any real property (the "**Real Property Leases**"). Each Real Property Lease is a legal, valid and binding agreement of SCGI or a SCGI Subsidiary, as applicable, enforceable in accordance with its terms, against SCGI or a SCGI Subsidiary, as applicable, and to the knowledge of SCGI, of each other person that is a party thereto, except as the enforcement thereof may be limited by bankruptcy, insolvency and other applicable Laws affecting the enforcement of creditors' rights generally and

subject to the qualification that equitable remedies may be granted only in the discretion of a court of competent jurisdiction, and SCGI or the applicable SCGI Subsidiary is not in default in payment of rent or in performance of its material obligations thereunder.

30. Corrupt Practices Legislation.

(a) To the knowledge of SCGI, the Active SCGI Entities have not, directly or indirectly, (i) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any Governmental Entity or any official of any public international organization or (ii) made any contribution to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or would be prohibited under the U.S. *Foreign Corrupt Practices Act of 1977*, as amended, the *Corruption of Foreign Public Officials Act* (Canada) or the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the rules and regulations promulgated thereunder.

(b) The operations of the Active SCGI Entities are and have been since February 1, 2017 conducted at all times in compliance with applicable financial recordkeeping and reporting requirements and the money laundering statutes and the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Entity (collectively, the "**Money Laundering Laws**") in all material respects. To the knowledge of SCGI, no action, suit or proceeding by or before any court or Governmental Entity or any arbitrator involving any of the Active SCGI Entities with respect to the Money Laundering Laws is pending or threatened.

(c) Neither of SCGI, a SCGI Subsidiary nor, to the knowledge of SCGI, any director, officer, agent, employee or affiliate of a member of the SCGI Group has had any sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department, the Government of Canada or any other relevant sanctions authority (collectively, "**Sanctions**") imposed upon such person, and no member of the SCGI Group is in violation of any of the Sanctions or any Law or executive order relating thereto, or is conducting business with any person subject to any Sanctions.

31. Insurance. The SCGI Group maintains insurance policies with recognized insurers as are appropriate to its business in such amounts and against such material risks as are customarily carried and insured against by prudent owners of comparable business. All such policies are in full force and effect in accordance with their terms.

32. Privacy and Data Security.

(a) SCGI and the Bank are in material compliance with all Privacy Laws in connection with its collection, use and disclosure of Personal Information, except for such instances where the failure to comply would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect with respect to SCGI. The Bank has had in place since January 1, 2016 a privacy

policy or policies governing the collection, use, disclosure and protection of Personal Information by the Bank, and has collected, used, disclosed and protected Personal Information in accordance with such policy or policies in all material respects.

(b) To the knowledge of SCGI, since January 1, 2016, there has been no: (i) material loss or theft of, or unauthorized access, use or disclosure of, Personal information or data of SCGI or the Bank, (ii) unauthorized access to or use of the IT Systems; (iii) material complaints or claims regarding SCGI or any SCGI Subsidiary's collection, use or disclosure of Personal Information or the actual or alleged violation of any Privacy Law, Contract or industry standard to which SCGI or the Bank is subject; or (iv) investigation, audit or other inquiry from a Governmental Entity regarding SCGI or a SCGI Subsidiary's collection, use, disclosure or protection of Personal Information.

33. IT Systems.

(a) The IT Systems adequately meet the data processing and other computing needs of the business of the Bank in all material respects as presently conducted. The IT Systems function, operate, process and compute in accordance with all applicable Laws, industry standards and trade practices in all material respects. The IT Systems have not failed within the past three years in a manner which materially and adversely affected the ongoing operations of the Bank in the ordinary course.

(b) The Bank has measures in place, consistent with commercially acceptable standards and practices, to safeguard against the unauthorized access, use, copying or modification to or of system programs and data files comprised within the IT Systems. The Bank has data and system back-up practices and procedures in place, consistent with commercially acceptable practices and procedures in all material respects, to safeguard against the loss, corruption or malfunction of the data and systems of Bank. With respect to any Software required by SCGI and the Bank for the operations of their business, neither SCGI nor the Bank (i) is in breach or default of any Contracts pursuant to which SCGI or the Bank has received a license or the right to access third-party Software; and (ii) is using the third-party Software outside the scope of the license or right to access provided by any person, and such use of the third-party Software is not in excess of the number of licenses paid for by SCGI and the Bank other than, in each case, where the breach, default or use, as applicable, would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

34. Fees and Commissions. With the exception of BMO Capital Markets no agent, broker, person or firm acting on behalf of SCGI or any of the SCGI Subsidiaries is, or will be, entitled to any commission or brokers' or finders' fees from SCGI or any of the SCGI Subsidiaries, in connection with any of the transactions contemplated by this Agreement.

35. No Other Representations or Warranties. Except for the representations or warranties expressly set forth in this Agreement, none of SCGI, any of the SCGI Subsidiaries nor any other person has made any representation or warranty, expressed or implied, with respect to SCGI or any of the SCGI Subsidiaries, their businesses, operations, assets,

liabilities, condition (financial or otherwise), results of operations, future operating or financial results, estimates, projections, forecasts, plans or prospects (including the reasonableness of the assumptions underlying such estimates, projections, forecasts, plans or prospects), the Data Room Information or the accuracy or completeness of any information regarding SCGI or any of the SCGI Subsidiaries.

36. Restrictions on Business Activities. Except as disclosed in Schedule C.36 of the Disclosure Letter, there is no agreement, judgment, injunction, order or decree binding upon SCGI or any of the SCGI Subsidiaries that has or would reasonably be expected to have the effect of prohibiting, restricting or materially impairing any business practice of SCGI or any of the SCGI Subsidiaries or the conduct of business by SCGI or any of the SCGI Subsidiaries as currently conducted other than such agreements, judgments, injunctions, orders or decrees which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the SCGI Group, taken as a whole.

SCHEDULE D
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to and in favour of SCGI as follows, and acknowledges that SCGI is relying upon such representations and warranties in connection with the entering into of this Agreement:

1. Organization and Qualification. Purchaser is a corporation duly incorporated, validly existing, organized and in good standing under the laws of Ontario. Purchaser has full power and authority to own or lease the property and assets it currently owns or leases, to conduct its business as now conducted and to complete the Arrangement.

2. Authority Relative to this Agreement. Purchaser has the requisite power and authority to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by Purchaser and the consummation by Purchaser of the transactions contemplated by this Agreement have been duly authorized and no other proceedings (including approvals of the board of directors of Purchaser) on the part of Purchaser are necessary to authorize this Agreement or the consummation of the Arrangement. This Agreement has been duly executed and delivered by Purchaser and constitutes a valid and binding obligation of Purchaser, enforceable by SCGI against Purchaser in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency and other applicable Laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

3. No Conflict. The execution and delivery by Purchaser of this Agreement and the performance by it of its obligations hereunder and the completion of the Arrangement will not violate, conflict with or result in a breach of any provision of the constating documents (or equivalent organizational documents) of Purchaser and will not: (a) violate, conflict with or result in a breach of: (i) any agreement, instrument or other document to which Purchaser is a party or by which Purchaser is bound where such event would impact Purchaser's ability to complete the Arrangement; or (ii) any Laws to which Purchaser is subject or by which Purchaser is bound; (b) give rise to any right of termination, or the acceleration of any indebtedness, under any such agreement, instrument or other document where such event would impair or materially delay Purchaser's ability to complete the Arrangement.

4. Governmental Authorizations. The execution, delivery and performance by Purchaser of this Agreement and the consummation of the transactions contemplated hereby require no action by or in respect of, or filing with, any Governmental Entity other than the Required Regulatory Approvals.

5. Investment Canada Act. Purchaser is (a) not a "non-Canadian" within the meaning of Part III or of Part IV of the Investment Canada Act or (b) a "Trade Agreement Investor" or "WTO Investor" within the meaning of the Investment Canada Act.

6. Excise Tax Act. Purchaser is registered under subdivision d of Division v of Part IX of the *Excise Tax Act* (Canada).

7. Financing. Purchaser has and will have at the Effective Date sufficient funds available to satisfy the aggregate Consideration payable in accordance with the terms hereof.

8. Litigation. There are no claims, arbitration or legal, administrative or other proceedings or investigations by any Governmental Entity, including appeals and applications for review pending or, to the best of Purchaser's knowledge, threatened against Purchaser which, if determined adversely to Purchaser, would (a) prevent Purchaser from paying the aggregate Consideration, (b) enjoin, restrict or prohibit the transfer of all or any part of the assets of SCGI or the SCGI Shares as contemplated by this Agreement, or (c) delay, restrict of prevent Purchaser from fulfilling any of its obligations set out in this Agreement or arising from this Agreement.

9. Residence. Purchaser is not a non-resident for purposes of the Tax Act.

APPENDIX D
PLAN OF ARRANGEMENT

UNDER SECTION 182 OF THE
BUSINESS CORPORATIONS ACT (ONTARIO)

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Plan of Arrangement, unless the context otherwise requires, capitalized terms used but not defined shall have the meanings ascribed to them below:

"**Arrangement**" means the arrangement of SCGI under section 182 of the OBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the Arrangement Agreement or this Plan of Arrangement or made at the direction of the Court in the Final Order (provided that any such amendment or variation is acceptable to both SCGI and Purchaser, each acting reasonably);

"**Arrangement Agreement**" means the arrangement agreement dated as of June 14, 2019 between Purchaser and SCGI, (including the Schedules thereto) as amended, amended and restated or supplemented prior to the Effective Date in accordance with its terms;

"**Arrangement Resolution**" means the special resolution of SCGI Shareholders approving this Plan of Arrangement to be considered at the SCGI Shareholders Meeting, and any amendments or variations thereto made in accordance with the provisions of the Arrangement Agreement or this Plan of Arrangement;

"**Articles of Arrangement**" means the articles of arrangement of SCGI, in respect of the Arrangement to be filed with the Director in compliance with the OBCA after the Final Order is made, which shall be in form and content satisfactory to SCGI and Purchaser, each acting reasonably;

"**Business Day**" means any day (other than a Saturday, a Sunday) on which commercial banks in Toronto, Ontario are open for the conduct of business;

"**Certificate of Arrangement**" means the certificate of arrangement to be issued by the Director pursuant to section 183(2) of the OBCA in respect of the Articles of Arrangement;

"**Consideration**" means $0.68 per SCGI Share, and "aggregate Consideration" means an amount equal to $0.68 multiplied by the number of SCGI Shares outstanding immediately prior to the Effective Time (including, for greater certainty, any SCGI Shares issuable upon the exercise of Options and in connection with the redemption of DSUs and cash payable on the redemption of RSUs and DSUs as contemplated by this Plan of Arrangement);

"**Court**" means the Ontario Superior Court of Justice (Commercial List);

"**Depositary**" means Computershare Investor Services Inc., or such other entity chosen by the parties to act as depositary for the Arrangement, for the purpose of, among other things,

exchanging certificates representing SCGI Shares for the Consideration to be received by SCGI Shareholders in connection with the Arrangement;

"**Director**" means the Director appointed pursuant to section 278 of the OBCA;

"**Dissent Right**" shall have the meaning ascribed thereto in Subsection 4.1(a);

"**Dissenting Shareholder**" means a registered holder of SCGI Shares as of the Record Date who (i) dissents in respect of the Arrangement in strict compliance with the Dissent Rights, and (ii) has not withdrawn or deemed to have withdrawn such exercise of Dissent Rights; but only in respect of the Shares in respect of which Dissent Rights are validly exercised by such registered SCGI Shareholder;

"**DSU Plan**" means SCGI's Amended and Restated Directors' Deferred Share Unit Plan dated as of November 7, 2013;

"**DSUs**" means the deferred share units granted under the DSU Plan;

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement;

"**Effective Date Transaction Expenses**" has the meaning ascribed thereto in the Arrangement Agreement;

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date;

"**Encumbrance**" includes any hypothec, mortgage, pledge, assignment, charge, lien, (statutory or otherwise), claim, security interest, adverse interest, adverse claim encumbrance, encroachment, option, right of first refusal, covenant, assignment, defect of title, restriction or right, in each case, whether contingent or absolute;

"**Final Order**" means the final order of the Court pursuant to section 182(5) of the OBCA approving the Arrangement, as such order may be amended by the Court (with the consent of both SCGI and Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal;

"**Former Shareholder**" means, at and following the Effective Time, a registered holder of SCGI Shares immediately prior to the Effective Time;

"**Interim Order**" means the interim order of the Court made pursuant to section 182(5) of the OBCA providing for, among other things, the calling and holding of the SCGI Shareholders Meeting, as the same may be amended, supplemented or varied by the Court with the consent of SCGI and Purchaser, each acting reasonably;

"**Letter of Transmittal**" means the letter of transmittal to be forwarded by SCGI Shareholders together with the Information Circular or such other equivalent form of letter of transmittal acceptable to Purchaser acting reasonably;

"**Notice of Dissent**" means a written notice provided by a registered holder of SCGI Shares to SCGI setting forth such SCGI Shareholder's objection to the Arrangement Resolution and exercise of Dissent Rights;

"**OBCA**" means the *Business Corporations Act* (Ontario);

"**Option**" means an option to purchase one SCGI Share granted or governed under the Option Plan;

"**Option Plan**" means SCGI's 1997 Stock Option Plan most recently amended and restated as of February 27, 2018;

"**Person**" means any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status;

"**Purchase Price**" has the meaning ascribed thereto in Section 3.3;

"**Purchaser**" means RFA Capital Holdings Inc., a corporation existing under the laws of Ontario;

"**Record Date**" means the record date established for SCGI Shareholders entitled to receive notice of and vote at the SCGI Shareholders Meeting;

"**RSU Plan**" means SCGI Restricted Share Unit Plan dated February 27, 2018;

"**RSUs**" means the restricted share units granted under the RSU Plan;

"**SCGI**" means Street Capital Group Inc., a corporation existing under the OBCA;

"**SCGI Shares**" means the common shares in the capital of SCGI, including those common shares issued upon the conversion, exchange, redemption or exercise of any DSUs or Options and "**SCGI Share**" means any one common share of SCGI;

"**SCGI Shareholders**" means the holders of SCGI Shares;

"**SCGI Shareholders Meeting**" means the special meeting of SCGI Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider and, if thought advisable, approve the Arrangement Resolution; and

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations made thereunder.

"**Transaction Expenses**" has the meaning given to that term in the Arrangement Agreement.

In addition, words and phrases used herein and defined in the OBCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the OBCA unless the context otherwise requires.

1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into articles, sections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein", "hereto", "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto.

1.3 Number, Gender and Persons

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and

neuter and the word person and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

1.4 Date for any Action

If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.5 Statutory References

Any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

1.6 Currency

Unless otherwise stated, all references in this Agreement to "$" refers to Canadian dollars.

1.7 Time

Time shall be of the essence in every matter or action contemplated hereunder. All times expressed herein are local time in Toronto, Ontario unless otherwise stipulated herein.

1.8 Certain Phrases, etc.

The words (i) "including", "includes" and "include" mean "including (or includes or include) without limitation," (ii) "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of" and (iii) unless stated otherwise, "Article", "Section", and "Schedule" followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Plan of Arrangement.

1.9 Statutes

Any reference to a statute refers to such statute and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be amended, or re-enacted, unless stated otherwise.

1.10 Computation of Time

A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, and is subject to the provisions of, the Arrangement Agreement, except in respect of the sequence of the steps comprising the Arrangement, which shall occur in the order set forth herein.

2.2 Binding Effect

At the Effective Time, this Plan of Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective, and shall be binding on:

(a) Purchaser;

(b) SCGI;

(c) all registered and beneficial holders of SCGI Shares, including Dissenting SCGI Shareholders;

(d) all registered and beneficial holders of Options, DSUs and RSUs;

(e) the registrar and transfer agent in respect of the SCGI Shares;

(f) the Depositary; and

(g) any other Person;

in the sequence and at the times set out in Section 3.1, without any further act or formality required on the part of any Person, except as expressly provided for in this Plan of Arrangement.

ARTICLE 3
ARRANGEMENT

3.1 Arrangement

At the Effective Time, except as otherwise noted herein, the following shall occur and shall be deemed to occur sequentially, in the following order, without any further act or formality required on the part of any person, in each case effective as at one-minute intervals starting at the Effective Time:

(a) each SCGI Share held by a Dissenting Shareholder shall be transferred and deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Encumbrances, to Purchaser in consideration for a debt claim against Purchaser in an amount determined and payable in accordance with Article 4Article 4, and such Dissenting Shareholder shall cease to be the holder of such SCGI Share and the name of such Dissenting Shareholder will be removed from the register of holders of SCGI Shares, and Purchaser shall be recorded as the registered holder of SCGI Shares so transferred and shall be deemed to be the legal and beneficial owner of such SCGI Shares free and clear of any Encumbrances;

(b) all of the Options, DSUs and the RSUs granted and outstanding immediately prior to the Effective Time (whether vested or unvested), without any further action on behalf of the

holder thereof and without any payment except as provided in this Plan of Arrangement and notwithstanding the terms of the applicable Option Plan, RSU Plan or DSU Plan shall be disposed of and surrendered by the holders thereof to SCGI without any act or formality on its or their part in exchange for a cash payment equal to:

(i) with respect to all such outstanding Options, the amount (if any) by which (A) the product of the number of SCGI Shares underlying such Options, held by such holder multiplied by the Consideration exceeds (B) the aggregate exercise price payable under such Options, by the holder to acquire the SCGI Shares underlying such Options and, for greater certainty, such payment shall be net of applicable withholdings;

(ii) with respect to each outstanding DSU or RSU, the amount of the Consideration per DSU or RSU, and, for greater certainty, such payment shall be net of applicable withholdings;

(c) all Options, RSUs and DSUs issued and outstanding immediately prior to the Effective Time shall thereafter immediately be cancelled and the holder thereof shall thereafter have only the right to receive the Consideration to which such holder is entitled pursuant to Section 3.1(b). The Option Plan, DSU Plan and the RSU Plan shall be terminated and none of SCGI, Purchaser or any of their respective affiliates shall have any liabilities or obligations with respect thereto;

(d) each SCGI Share outstanding immediately prior to the Effective Time, other than, SCGI Shares held by a Dissenting Shareholder and SCGI Shares held by Purchaser or any of its affiliates (which shall not be exchanged under the Arrangement and shall remain outstanding as a SCGI Share held by Purchaser or its affiliate, as the case may be), shall be transferred and deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Encumbrances, to Purchaser in exchange for a payment in cash equal to the Consideration, less any amounts withheld and remitted in accordance with Section 3.6, and the name of such holder will be removed from the register of holders of SCGI Shares and Purchaser shall be recorded as the registered holder of SCGI Shares so transferred and shall be deemed to be the legal and beneficial owner thereof, free and clear of any Encumbrances, and such payment shall be made upon the presentation and surrender by or on behalf of the holder to the Depositary (acting on behalf of Purchaser) of the certificate formerly representing SCGI Shares and a Letter of Transmittal as more fully described in Section 3.2; and

(e) SCGI shall pay or cause to be paid the Transaction Expenses in an aggregate amount not to exceed the Effective Date Transaction Expenses.

3.2 Letter of Transmittal

At the time of mailing the Information Circular or as soon as practicable thereafter, SCGI shall forward to each SCGI Shareholder and each holder of Options, RSUs or DSUs at the address of such holder as it appears on the register maintained by or on behalf of SCGI in respect of such holders, the Letter of Transmittal in the case of holders of SCGI Shares and instructions for obtaining delivery of that portion of the Consideration or of SCGI's payment obligations to holders of Options, RSUs and DSUs pursuant to Section 3.1(b), as the case may be, payable to such holder following the Effective Date pursuant to this Plan of Arrangement.

3.3 Delivery of Purchase Price and Other Payments

Prior to the Effective Date, (a) Purchaser shall deposit, or arrange to be deposited, the money required to be deposited with the Depositary for the payment of the aggregate Consideration (the "**Purchase Price**") for the SCGI Shares acquired pursuant to Section 3.1(d) (with the amount per SCGI Share in respect of which Dissent Rights have been exercised being deemed to be the Consideration per applicable SCGI Share for this purpose) in escrow for the benefit of the holders of SCGI Shares entitled to receive the Consideration for each SCGI Share held by them in a special account with the Depositary to be paid to or to the order of the respective former SCGI Shareholders without interest; (b) Purchaser shall deposit, on SCGI's behalf, the money required for payment of the obligations to holders of Options, RSUs and DSUs pursuant to Section 3.1(b) in escrow for the benefit of such holders in a special account with the Depositary to be paid to or to the order of the respective former holders without interest; and (c) Purchaser shall deposit, on SCGI's behalf, an amount equal to the Effective Date Transaction Expenses as directed by SCGI for the purpose of paying the Transaction Expenses. All such money shall be cash, denominated in Canadian dollars in same day funds. Such money shall not be used for any purpose except as provided in this Plan of Arrangement. Such payment to or to the order of the aforesaid former holders shall be made on presentation and surrender to the Depositary, in the case of SCGI Shares, the certificate(s) representing the SCGI Shares which were acquired by Purchaser pursuant to Section 3.1(d)), and a duly completed Letter of Transmittal and such other documents and instruments, if any, as the Depositary may reasonably require. Upon surrender to the Depositary for transfer to Purchaser of, in the case of a SCGI Shareholder, a certificate which immediately prior to the Effective Time represented SCGI Shares in respect of which the holder is entitled to receive cash under the Arrangement, and a duly completed Letter of Transmittal, and such other documents and instruments as would have been required to effect the transfer of the SCGI Shares formerly represented by such certificate under the OBCA and the by-laws of SCGI and such additional documents and instruments as the Depositary may reasonably require, such former holder shall be entitled to receive in exchange therefor, and as soon as practicable after the Effective Time the Depositary shall deliver to such holder, by cheque (or, if required by applicable laws, a wire transfer) for the amount of cash such holder is entitled to receive under the Arrangement less any amount withheld and remitted pursuant to Section 3.6 (together, if applicable, with any unpaid dividends or distributions declared on the SCGI Shares, if any, prior to the Effective Time). In the event of a transfer of ownership of SCGI Shares that was not registered in the securities register of SCGI, the amount of cash payable for such SCGI Shares under the Arrangement may be delivered to the transferee if the certificate representing such SCGI Shares is presented to the Depositary as provided above, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable SCGI Share transfer Taxes have been paid. As soon as practicable after the Effective Time, the Depositary shall deliver on behalf of SCGI to each holder of Options, RSUs and DSUs, as reflected on the books and records of SCGI, a cheque (or, if required by applicable laws, a wire transfer) for the amount of cash such holder is entitled to receive under the Arrangement in accordance with Section 3.1(b) less any amount withheld and remitted pursuant to Section 3.6. Thereafter, Purchaser shall be fully and completely discharged from its obligation to pay the Purchase Price to the Former Shareholders, and SCGI shall be fully and completely discharged from its payment obligations to former holders of Options, RSUs and DSUs referred to in Section 3.1(d) and Section 3.1(b) respectively, and the rights of such holders shall be limited to receiving, without interest, from the Depositary their proportionate part of the money so deposited on, in case of SCGI Shareholders, presentation and surrender of the documentation specified above. Any interest on such deposit shall belong to Purchaser.

3.4 Expiration of Rights

Any amounts deposited with the Depositary for the payment of the Purchase Price to holders of SCGI Shares pursuant to Section 3.1(d) or the monies payable to holders of Options, RSUs or DSUs pursuant to Section 3.1(b) which remain unclaimed on the date which is six years from the Effective Date shall be forfeited to Purchaser and paid over to or as directed by Purchaser and the former holders of SCGI

Shares, Options, RSUs and/or DSUs shall thereafter have no right to receive their respective entitlement to the Purchase Price or the payments pursuant to Section 3.1(b) or Section 3.1(d), as applicable.

3.5 Transfers Free and Clear

Any transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Encumbrances or other claims of third parties.

3.6 Withholding Rights

SCGI, Purchaser and the Depositary shall be entitled to deduct and withhold, or direct any other person to deduct and withhold, from any consideration otherwise payable to any SCGI Shareholder, holder of Options, DSUs and RSUs or any other person such amounts as SCGI, Purchaser or the Depositary determines, acting reasonably, are required or permitted to be deducted and withheld with respect to such payment under the Tax Act or any provision of federal, provincial, territorial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the SCGI Shareholder, holder of Options, DSUs and RSUs, or other person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

3.7 Calculations

All aggregate amounts of cash consideration to be received under this Plan of Arrangement will be calculated to the nearest cent ($0.01). All calculations and determinations made in good faith by SCGI, Purchaser or the Depositary, as applicable, for the purposes of this Plan of Arrangement shall be conclusive, final, and binding on the SCGI Shareholders.

3.8 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all SCGI Shares, Options, DSUs and RSUs issued or outstanding prior to the Effective Time, (b) the rights and obligations of the holders of SCGI Shares, Options, DSUs and RSUs, SCGI, Purchaser, the Depositary and any transfer agent or other depositary of the Company, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any SCGI Shares, Options, DSUs and RSUs shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 4
DISSENT RIGHTS

4.1 Dissent Rights

(a) Registered SCGI Shareholders as of the Record Date may exercise rights of dissent with respect to the SCGI Shares held by such holders pursuant to and in the manner set forth in section 185 of the OBCA as modified by the Interim Order and this Section 4.1 (the "**Dissent Rights**"); provided that notwithstanding section 185(6) of the OBCA, a Notice of Dissent is received by SCGI by no later than 5:00 p.m. (Toronto time) on the Business Day that is two Business Days prior to the date of the SCGI Shareholders Meeting, or, if the SCGI Shareholders Meeting is adjourned or postponed, 5:00 p.m. (Toronto time) on the Business Day that is two Business Days preceding the date of such adjourned or postponed SCGI Shareholders Meeting.

(b) If the Arrangement is completed, registered holders of SCGI Shares as of the Record Date who duly and validly exercise their Dissent Rights shall be deemed to have transferred their SCGI Shares, without any further act or formality on their part, free and clear of all Encumbrances, to Purchaser as provided in Section 3.1(a), and if they: (i) are ultimately determined to be entitled to be paid fair value for their SCGI Shares, they shall be entitled to a payment of cash by Purchaser equal to such fair value, and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement in respect of such SCGI Shares had such SCGI Shareholders not exercised their Dissent Rights; or (ii) are ultimately determined not to be entitled, for any reason, to be paid fair value for their SCGI Shares, then they shall have participated and shall be deemed to have participated in the Arrangement, as at the Effective Time, on the same basis as a non-dissenting holder of SCGI Shares in accordance with Section 3.1(d), and shall receive cash consideration in respect of their SCGI Shares equal to the aggregate Consideration a holder of SCGI Shares holding such number of SCGI Shares would be entitled to under Section 3.1(d).

(c) In addition to any other restrictions under Section 185 of the OBCA, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Options, RSUs or DSUs (but only with respect of those securities); and (ii) SCGI Shareholders who vote or have instructed a proxyholder to vote such SCGI Shares in favour of the Arrangement Resolution (but only in respect of such SCGI Shares).

(d) In no circumstances shall SCGI, Purchaser, the Depositary, the registrar and transfer agent in respect of the SCGI Shares or any other person be required to recognize a person exercising Dissent Rights unless such person is the holder of those SCGI Shares in respect of which such rights are sought to be exercised.

(e) For greater certainty, in no case shall SCGI, Purchaser, the Depositary, the registrar and transfer agent in respect of the SCGI Shares or any other person be required to recognize a Dissenting Shareholder as a holder of SCGI Shares after the Effective Time and the name of each Dissenting Shareholder shall be deleted from the register of holders of SCGI Shares in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 3.1(1) occurs.

ARTICLE 5
CERTIFICATES

5.1 Certificates

(a) From and after the Effective Time, until surrendered as contemplated by Section 3.3, each certificate formerly representing SCGI Shares that, under the Arrangement, was transferred or deemed to be transferred to Purchaser in return for cash pursuant to Section 3.1, shall represent and be deemed, at all times after the Effective Time, to represent only the right to receive upon such surrender the applicable amount per SCGI Share specified in Section 3.1(a) or Section 3.1(d) less any amount withheld and remitted pursuant to Section 3.6. From and after the Effective Time, each Option, RSU or DSU and any evidence thereof shall be deemed, at all times after the Effective Time, to represent only the right to receive the applicable consideration specified in Section 3.1(d) of this Plan of Arrangement less any amount withheld and remitted pursuant to Section 3.6.

(b) Any such certificate formerly representing SCGI Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any Former Shareholder of any kind or nature against or in SCGI or Purchaser.

On such date, all cash to which such Former Shareholder was entitled shall be deemed to have been surrendered to Purchaser or SCGI, as applicable.

5.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding SCGI Shares that were transferred pursuant to Section 3.13.1 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, a wire or cheque representing the consideration which such holder is entitled to receive for such SCGI Shares under this Plan of Arrangement in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the person to whom such payment is to be delivered shall as a condition precedent to the delivery of such payment, give a bond satisfactory to Purchaser and the Depositary in such sum as Purchaser may direct, or otherwise indemnify Purchaser, SCGI and the Depositary in a manner satisfactory to Purchaser and SCGI, against any claim that may be made against Purchaser, SCGI and the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

ARTICLE 6
AMENDMENTS

6.1 Amendments to Plan of Arrangement

(a) Purchaser and SCGI reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time, provided that each such amendment, modification or supplement must be: (i) set out in writing; (ii) agreed to in writing by Purchaser and SCGI; (iii) filed with the Court and, if made following the SCGI Shareholders Meeting, approved by the Court; and (iv) communicated to holders of SCGI Shares, Options, RSUs and DSUs or Former Shareholders if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by SCGI or Purchaser at any time prior to the SCGI Shareholders Meeting (provided that the other party shall have consented thereto in writing), with or without any other prior notice or communication, and, if so proposed and accepted by the SCGI Shareholders voting at the SCGI Shareholders Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the SCGI Shareholders Meeting shall be effective only if: (i) it is consented to in writing by each of Purchaser and SCGI; (ii) it is filed with the Court (other than amendments contemplated in Section 6.1(d), which shall not require such filing) and (iii) if required by the Court, it is consented to by holders of the SCGI Shares voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Time unilaterally by Purchaser, provided that it concerns a matter that, in the reasonable opinion of Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any Former Shareholder or former holder of Options, DSUs and RSUs.

(e) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

ARTICLE 7
FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out therein.

APPENDIX E
FAIRNESS OPINION

June 14, 2019

The Strategic Planning Committee of the Board of Directors and the Board of Directors
Street Capital Group Inc.
1 Yonge Street, Suite 2401
Toronto, Ontario M5E 1E5

To the Strategic Planning Committee of the Board of Directors and the Board of Directors:

BMO Nesbitt Burns Inc. ("BMO Capital Markets" or "we" or "us") understands that Street Capital Group Inc. (the "Company") and RFA Capital Holdings Inc. (the "Purchaser"), an entity managed by RFA Capital Inc. ("RFA") propose to enter into an arrangement agreement to be dated as of June 14, 2019 (the "Arrangement Agreement") pursuant to which, among other things, the Purchaser will acquire all of the outstanding common shares of the Company (the "Shares") for a price equal to $0.68 in cash per Share (the "Consideration") pursuant to an arrangement under the *Business Corporations Act* (Ontario) (the "Arrangement"). The terms and conditions of the Arrangement will be summarized in the Company's management information circular (the "Circular") to be mailed to holders of Shares (the "Shareholders") in connection with a special meeting of the Shareholders to be held to consider and, if deemed advisable, approve the Arrangement.

We have been retained to provide financial advice to the Company, including our opinion (the "Opinion") to the strategic planning committee of the board of directors of the Company (the "Special Committee") and the board of directors of the Company (the "Board of Directors") as to the fairness from a financial point of view of the Consideration to be received by the Shareholders pursuant to the Arrangement.

Engagement of BMO Capital Markets

The Company initially contacted BMO Capital Markets regarding a potential advisory assignment in July 2018. BMO Capital Markets was formally engaged by the Company pursuant to an agreement dated July 12, 2018, effective as of July 1, 2018 and amended as of March 28, 2019 (the "Engagement Agreement"). Under the terms of the Engagement Agreement, BMO Capital Markets has agreed to provide the Company and the Board of Directors with various advisory services in connection with the Arrangement including, among other things, the provision of the Opinion.

BMO Capital Markets will receive a fee for rendering the Opinion. We will also receive certain fees for our advisory services under the Engagement Agreement, a substantial portion of which is contingent upon the successful completion of the Arrangement. The Company has also agreed to reimburse us for our reasonable out-of-pocket expenses and to indemnify us against certain liabilities that might arise out of our engagement.

Credentials of BMO Capital Markets

BMO Capital Markets is one of North America's largest investment banking firms, with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment research and investment management. BMO Capital Markets has been a financial advisor in a significant number of transactions throughout North America involving public and private companies in various industry sectors and has extensive experience in preparing fairness opinions.

The Opinion represents the opinion of BMO Capital Markets, the form and content of which have been approved for release by a committee of our officers who are collectively experienced in merger and acquisition, divestiture, restructuring, valuation, fairness opinion and capital markets matters.

Independence of BMO Capital Markets

Neither BMO Capital Markets, nor any of our affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario) or the rules made thereunder) of the Company, the Purchaser, RFA, or any of their respective associates or affiliates (collectively, the "Interested Parties").

BMO Capital Markets has not been engaged to provide any financial advisory services nor has it participated in any financings involving the Interested Parties within the past two years, other than acting as financial advisor to the Company, the Special Committee and the Board of Directors pursuant to the Engagement Agreement.

There are no understandings, agreements or commitments between BMO Capital Markets and any of the Interested Parties with respect to future business dealings. BMO Capital Markets may, in the future, in the ordinary course of business, provide financial advisory, investment banking, or other financial services to one or more of the Interested Parties from time to time.

BMO Capital Markets and certain of our affiliates act as traders and dealers, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of one or more of the Interested Parties and, from time to time, may have executed or may execute transactions on behalf of one or more Interested Parties for which BMO Capital Markets or such affiliates received or may receive compensation. As investment dealers, BMO Capital Markets and certain of our affiliates conduct research on securities and may, in the ordinary course of business, provide research reports and investment advice to clients on investment matters, including with respect to one or more of the Interested Parties or the Arrangement. In addition, Bank of Montreal ("BMO"), of which BMO Capital Markets is a wholly-owned subsidiary, or one or more affiliates of BMO, may provide banking or other financial services to one or more of the Interested Parties in the ordinary course of business.

Overview of Street Capital Group Inc.

The Company operates through its wholly-owned subsidiary, Street Capital Bank of Canada (the "Bank"), a federally regulated Schedule I bank offering residential mortgage loans. The Bank sources its mortgage products primarily through a network of independent mortgage brokers. The Bank either underwrites mortgages to larger financial institutions or holds them on its balance sheet.

Scope of Review

In connection with rendering the Opinion, we have reviewed and relied upon, or carried out, among other things, the following:

1. a draft of the Arrangement Agreement dated June 13, 2019;

2. a draft of the letter agreement dated June 13, 2019 between the Company and the Purchaser, among others, regarding the commitments to be made in connection with the application for certain regulatory approvals;

3. a draft of the equity commitment letters dated June 13, 2019 and provided to the Purchaser by several investors for cash equity investments in the Purchaser to satisfy the payment obligations of the Purchaser in connection with the Arrangement Agreement;

4. a draft of the guarantee dated June 12, 2019 between the Company and RFA Capital Inc. ensuring the performance of all of the obligations of the Purchaser to the Company in connection with the Arrangement Agreement other than the payment obligations of the Purchaser;

5. certain publicly available information relating to the business, operations, financial condition and trading history of the Company and other selected public companies we considered relevant;

6. certain publicly available information relating to the financial condition of the investors providing equity commitments to the Purchaser to satisfy the obligations of the Purchaser in connection with the Arrangement;

7. certain internal financial, operating, corporate and other information prepared or provided by or on behalf of the Company relating to the business, operations, regulatory environment and financial condition of the Company;

8. internal management forecasts, projections, estimates and budgets prepared or provided by or on behalf of management of the Company;

9. discussions with management of the Company relating to the Company's current business, plans, regulatory environment, financial condition and prospects;

10. discussions with legal and regulatory counsel to the Company;

11. public information with respect to selected precedent transactions we considered relevant;

12. various reports published by equity research analysts industry sources we considered relevant;

13. a letter of representation as to certain factual matters and the completeness and accuracy of certain information upon which the Opinion is based, addressed to us and dated as of the date hereof, provided by senior officers of the Company; and

14. such other information, investigations, analyses and discussions as we considered necessary or appropriate in the circumstances.

BMO Capital Markets has not, to the best of its knowledge, been denied access by the Company to any information under the Company's control requested by BMO Capital Markets.

Prior Valuations

The Company has represented to BMO Capital Markets that there have not been any prior valuations (as defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*) of the Company or any of its subsidiaries (as defined in National Instrument 45-106 – *Prospectus Exemptions*) or any of their respective material assets or liabilities in the past two years, other than those which have been provided to BMO Capital Markets.

Assumptions and Limitations

We have relied upon and assume the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions, representations and other material obtained by us from public sources or provided to us by or on behalf of the Company or otherwise obtained by us in connection with our engagement (the "Information"). The Opinion is conditional upon such completeness, accuracy and fair presentation. We have not been requested to, and have not assumed any obligation to, independently verify the completeness, accuracy or fair presentation of any such Information. We have assumed that forecasts, projections, estimates and budgets provided to us and used in our analyses were reasonably prepared on bases reflecting the best currently available assumptions, estimates and judgments of management of the Company, having regard to the Company's business, plans, financial condition and prospects.

Senior officers of the Company have represented to BMO Capital Markets in a letter of representation delivered as of the date hereof, among other things, that: (i) the Information provided to BMO Capital Markets orally by, or in the presence of, an officer or employee of, the Company, or in writing by the Company or any of its subsidiaries (as defined in National Instrument 45-106 – *Prospectus Exemptions*) or any of its or their representatives in connection with our engagement was, at the date the Information was provided to BMO Capital Markets, and is, as of the date hereof (except to the extent superseded by more current Information), complete, true and correct in all material respects, and did not and does not contain a misrepresentation (as defined in the *Securities Act* (Ontario)) in respect of the Company or its subsidiaries; and (ii) since the dates on which the Information was provided to BMO Capital Markets, except as disclosed in writing to BMO Capital Markets, there has been no material

change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries, and no change has occurred in the Information or any part thereof which would have or which could reasonably be expected to have a material effect on the Opinion.

In preparing the Opinion, we have assumed that the executed Arrangement Agreement will not differ in any material respect from the draft that we reviewed, and that the Arrangement will be consummated in accordance with the terms and conditions of the Arrangement Agreement without waiver of, or amendment to, any term or condition that is in any way material to our analyses.

The Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as of the date hereof and the condition and prospects, financial and otherwise, of the Company as they are reflected in the Information and as they have been represented to BMO Capital Markets in discussions with management of the Company and its representatives. In our analyses and in preparing the Opinion, BMO Capital Markets made numerous judgments and assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond our control or that of any party involved in the Arrangement.

The Opinion is provided to the Special Committee and the Board of Directors for their exclusive use only in considering the Arrangement and may not be used or relied upon by any other person or for any other purpose without our prior written consent. The Opinion does not constitute a recommendation as to how any Shareholder should vote or act on any matter relating to the Arrangement or any other matter or a recommendation to the Special Committee or the Board to approve the Arrangement. Except for the inclusion of the Opinion in its entirety and a summary thereof (in a form acceptable to us) in the Circular, the Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent.

We have not been asked to prepare and have not prepared a formal valuation or appraisal of the securities or assets of the Company or of any of its affiliates, and the Opinion should not be construed as such. The Opinion is not, and should not be construed as, advice as to the price at which the securities of the Company may trade at any time. BMO Capital Markets was not engaged to review any legal, tax or regulatory aspects of the Arrangement and the Opinion does not address any such matters. We have relied upon, without independent verification, the assessment by the Company and its legal advisors with respect to such matters. In addition, the Opinion does not address the relative merits of the Arrangement as compared to any strategic alternatives that may be available to the Company.

The Opinion is rendered as of the date hereof and BMO Capital Markets disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to the attention of BMO Capital Markets after the date hereof. Without limiting the foregoing, if we learn that any of the information we relied upon in preparing the Opinion was inaccurate, incomplete or misleading in any material respect, BMO Capital Markets reserves the right to change or withdraw the Opinion.

Approach to Fairness and Analysis

BMO Capital Markets performed various analyses in connection with rendering the Opinion. In arriving at our conclusion we did not attribute any particular weight to any specific approach or analysis, but rather developed qualitative judgements on the basis of our experience in rendering such opinions and the information presented as a whole.

In considering the fairness from a financial point of view of the Consideration to be received by the Shareholders pursuant to the Arrangement, we considered whether the value of the Consideration fell within a range of fair values for the Shares. To determine a range of fair values for the Shares, we considered the following methodologies: (i) comparable company trading analysis; (ii) precedent transactions analysis; and (iii) discounted dividend model (DDM) analysis.

Comparable Company Trading Analysis

BMO Capital Markets reviewed publicly available information for selected publicly listed entities we considered relevant and applied a range of price to book value of equity multiples considered appropriate in the circumstances, taking into account the relative expected growth and return-on-equity of the selected public companies as compared to the those of the Company, to the Company's book value of equity as of March 31, 2019 to obtain a range of gross equity values for the Company. Certain adjustments, including adjustments to account for the amount of issued and outstanding Shares, were then made to obtain a range of fair values for the Shares.

Precedent Transactions Analysis

BMO Capital Markets reviewed publicly available information for selected transactions involving entities we considered relevant and derived a range of price to book value of equity multiples for transactions considered appropriate in the circumstances, taking into account the relative expected growth and return-on-equity of the entities involved in the selected transactions as compared to those of the Company. BMO Capital Markets applied this range of multiples to the Company's book value of equity as of March 31, 2019 to obtain a range of gross equity values for the Company. Certain adjustments, including adjustments to account for the amount of issued and outstanding Shares, were then made to obtain a range of fair values for the Shares.

Discounted Dividend Model (DDM) Analysis

The dividend discount model methodology is a calculation of the present value of the Company's projected future cash dividends, assuming a minimum required level of certain capital ratios, to determine a range of values for the Shares. It involved estimating annual net cash dividends for each year of the projection period and discounting them at discount rates BMO Capital Markets determined reasonable. A terminal value was also calculated by estimating the Company's book value of equity in the terminal year and applying a range of multiples with the resulting terminal value being discounted at the same discount rates used for the annual net cash flows in the projection period. As part of the discounted dividend model methodology, BMO Capital Markets performed sensitivity analyses on the key factors considered to be primary drivers of the discounted dividend model methodology.

The Consideration to be received by the Shareholders pursuant to the Arrangement is consistent with the range of fair values for the Shares generated by the foregoing analyses.

Conclusion

Based upon and subject to the foregoing, BMO Capital Markets is of the opinion that, as of the date hereof, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders.

Yours truly,

BMO Nesbitt Burns Inc.

BMO Nesbitt Burns Inc.

APPENDIX F
INTERIM ORDER

Court File No.: CV-19-00623226-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	) THURSDAY, THE 11TH
	)
JUSTICE HAINEY	) DAY OF JULY, 2019

IN THE MATTER OF AN APPLICATION UNDER SECTION 182 OF THE *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B.16, AS AMENDED, AND RULES 14.05(2) AND 14.05(3) OF THE *RULES OF CIVIL PROCEDURE*

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING STREET CAPITAL GROUP INC., ITS SHAREHOLDERS OPTIONHOLDERS, DEFERRED SHARE UNITHOLDERS AND RESTRICTED SHARE UNITHOLDERS and RFA CAPITAL HOLDINGS INC.

STREET CAPITAL GROUP INC.

Applicant

INTERIM ORDER
(July 11, 2019)

THIS MOTION made by the Applicant, Street Capital Group Inc. ("SCGI"), for an interim order for advice and directions pursuant to section 182 of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the "OBCA"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Notice of Application issued on July 5, 2019 and the affidavit of Duncan Hannay, President and Chief Executive Officer of SCGI, sworn July 8, 2019 (the "Hannay Affidavit"), including the Plan of Arrangement, which is attached as

Appendix D to the draft management information circular (the "Circular") of SCGI, which is itself attached as Exhibit "A" to the Hannay Affidavit, and the Arrangement Agreement dated as of June 14, 2019 (the "Arrangement Agreement") which is attached as Appendix C to the Circular, and on hearing the submissions of counsel for SCGI and counsel for RFA Capital Holdings Inc. (the "Purchaser").

Definitions

1. **THIS COURT ORDERS** that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Circular or otherwise as specifically defined herein.

The Meeting

2. **THIS COURT ORDERS** that SCGI is permitted to call, hold and conduct a special meeting (the "Meeting") of holders (the "Shareholders") of common shares in the capital of SCGI (the "Common Shares"), to be held at Goodmans LLP, 333 Bay Street, on August 16, 2019 at 10:00 a.m. (Toronto time) in order for the Shareholders to, among other things, consider and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation, the Arrangement and the Plan of Arrangement (the "Arrangement Resolution").

3. **THIS COURT ORDERS** that the Meeting shall be called, held and conducted in accordance with the OBCA, the notice of special meeting of Shareholders, which accompanies the Circular (the "Notice of Meeting"), and the articles and by-laws of SCGI, subject to what may be provided hereafter and subject to further order of this Honourable Court.

4. **THIS COURT ORDERS** that the record date (the "Record Date") for determination of the Shareholders entitled to notice of, and to vote at, the Meeting shall be July 8, 2019.

5. **THIS COURT ORDERS** that the only persons entitled to attend or speak at the Meeting shall be:

   (a) the Shareholders of record as of the Record Date or their respective proxyholders;

   (b) the officers, directors, auditors and advisors of SCGI;

   (c) the representatives and advisors of the Purchaser; and

   (d) other persons who may receive the permission of the Chair of the Meeting.

6. **THIS COURT ORDERS** that SCGI may transact such other business at the Meeting as may otherwise be properly before the Meeting.

Quorum

7. **THIS COURT ORDERS** that the Chair of the Meeting shall be determined by SCGI and that the quorum at the Meeting shall be at least two persons, whether present in person or represented by proxy, representing in aggregate not less than 25% of the total outstanding number of Common Shares on the Record Date.

Amendments to the Arrangement and Plan of Arrangement

8. **THIS COURT ORDERS** that SCGI is authorized to make, subject to the terms of the Arrangement Agreement, and paragraph 9, below, such amendments, modifications or supplements to the Arrangement and the Plan of Arrangement as it may determine

without any additional notice to the Shareholders, or others entitled to receive notice under paragraphs 12 and 13 hereof and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Honourable Court at the hearing for the final approval of the Arrangement.

9. **THIS COURT ORDERS** that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement as referred to in paragraph 8, above, would, if disclosed, reasonably be expected to affect a Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Honourable Court, by press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as SCGI may determine.

Amendments to the Circular

10. **THIS COURT ORDERS** that SCGI is authorized to make such amendments, revisions and/or supplements to the draft Circular as it may determine and the Circular, as so amended, revised and/or supplemented, shall be the Circular to be distributed in accordance with paragraphs 12 and 13.

Adjournments and Postponements

11. **THIS COURT ORDERS** that SCGI, if it deems advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn or postpone the Meeting

on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method as SCGI may determine is appropriate in the circumstances. The Record Date will not change as a result of any adjournments or postponements of the Meeting. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

Notice of Meeting

12. **THIS COURT ORDERS** that, in order to effect notice of the Meeting, SCGI shall send the Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, the form of proxy and the letter of transmittal, along with such amendments or additional documents as SCGI may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the "Meeting Materials"), to the following:

(a) the registered Shareholders as at the close of business (Toronto time) on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:

(i) by pre-paid ordinary or first class mail at the addresses of the registered Shareholders as they appear on the books and records of SCGI, or its registrar and transfer agent, at the close of business (Toronto time) on the

Record Date and if no address is shown therein, then the last address of the person known to the Secretary of SCGI;

(ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or

(iii) by facsimile or electronic transmission to any registered Shareholder, who is identified to the satisfaction of SCGI and consents to such transmission in writing;

(b) the non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators; and

(c) the directors and auditors of SCGI by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. **THIS COURT ORDERS** that, in the event that SCGI elects to distribute the Meeting Materials, SCGI is hereby directed to distribute the Circular (including the Notice of Application and this Interim Order), and any other communications or documents determined by SCGI to be necessary or desirable (collectively, the "Court Materials") to

the holders of outstanding options to acquire Common Shares (the "Options"), the holders of outstanding deferred share units of SCGI ("DSUs") and the holders of outstanding restricted share units of SCGI ("RSUs"), by any method permitted for notice to Shareholders as set forth in paragraphs 12(a) or 12(b), above, concurrently with the distribution described in paragraph 12 of this Interim Order. Distribution to such persons receiving the Court Materials shall be to their addresses as they appear on the books and records of SCGI or its registrar and transfer agent as at the close of business (Toronto time) on the Record Date.

14. **THIS COURT ORDERS** that accidental failure or omission by SCGI to give notice of the Meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of SCGI, or the non-receipt of such notice shall, subject to further order of this Honourable Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of SCGI, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

15. **THIS COURT ORDERS** that SCGI is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials (including, for greater certainty, the Circular) as SCGI may determine in accordance with the terms of the Arrangement Agreement ("Additional Information"), and that notice of such Additional Information may, subject to paragraph 9, above, be distributed by press

release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as SCGI may determine.

16. **THIS COURT ORDERS** that distribution of the Meeting Materials and Court Materials pursuant to paragraphs 12 and 13 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraphs 12 and 13 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials or the Court Materials, or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9, above.

Solicitation and Revocation of Proxies

17. **THIS COURT ORDERS** that SCGI is authorized to use the letter of transmittal and the form of proxy substantially in the form of the drafts accompanying the Circular, with such amendments and additional information as SCGI may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. SCGI is authorized to solicit proxies, directly or through its officers, directors or employees, and through such agents or representatives as it may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine. SCGI may waive generally, in its discretion, the time limits set out in the Circular for the deposit or revocation of proxies by Shareholders, if SCGI deems it advisable to do so.

18. **THIS COURT ORDERS** that Shareholders shall be entitled to revoke their proxies in accordance with section 110(4) of the OBCA (except as the procedures of that section are

varied by this paragraph and the Circular) provided that any instruments in writing delivered pursuant to section 110(4)(a) of the OBCA: (a) may be deposited at the registered office of SCGI or with the transfer agent of SCGI as set out in the Circular; and (b) any such instruments must be received by SCGI or its transfer agent not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) preceding the Meeting (or any adjournment or postponement thereof).

Voting

19. **THIS COURT ORDERS** that the only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Shareholders of record at the close of business (Toronto time) on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxy forms that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

20. **THIS COURT ORDERS** that votes shall be taken at the Meeting on the basis of one vote per Common Share and that in order for the Plan of Arrangement to be implemented, subject to further Order of this Honourable Court, the Arrangement Resolution must be passed, with or without variation, at the Meeting by:

    (a) an affirmative vote of at least 66⅔% of the votes cast in respect of the Arrangement Resolution by Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and

(b) a simple majority of the votes cast in respect of the Arrangement Resolution by Shareholders, excluding votes attached to Common Shares held by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions.*

Such votes shall be sufficient to authorize SCGI to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what is provided for in the Circular without the necessity of any further approval by the Shareholders, subject only to final approval of the Arrangement by this Honourable Court.

21. **THIS COURT ORDERS** that in respect of matters properly brought before the Meeting pertaining to items of business affecting SCGI (other than in respect of the Arrangement Resolution), each Shareholder is entitled to one vote for each Common Share held.

Dissent Rights

22. **THIS COURT ORDERS** that each registered Shareholder as of the Record Date shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 185 of the OBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 185(6) of the OBCA, any Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to SCGI in the form required by section 185 of the OBCA and the Arrangement Agreement, which written objection must be received by SCGI not later than 10:00 a.m. (Toronto time) on August 14, 2019 (or 10:00 a.m. (Toronto time) on the day that is two business

days immediately preceding any adjourned or postponed Meeting), and must otherwise strictly comply with the requirements of the OBCA. For purposes of these proceedings, the "court" referred to in section 185 of the OBCA means this Honourable Court.

23. **THIS COURT ORDERS** that, notwithstanding section 185(4) of the OBCA, the Purchaser, not SCGI, shall be required to offer to pay fair value, as of the close of business on the day prior to approval of the Arrangement Resolution at the Meeting, for Common Shares held by registered Shareholders who duly exercise Dissent Rights, and to pay the amount to which such Shareholders may be entitled pursuant to the terms of the Plan of Arrangement. In accordance with the Plan of Arrangement and the Circular, all references to the "corporation" in subsections 185(4) and 185(14) to 185(30), inclusive, of the OBCA (except for the second reference to the "corporation" in subsection 185(15)) shall be deemed to refer to "RFA Capital Holdings Inc." in place of the "corporation", and the Purchaser shall have all of the rights, duties and obligations of the "corporation" under subsections 185(14) to 185(30), inclusive, of the OBCA.

24. **THIS COURT ORDERS** that any registered Shareholder who duly exercises such Dissent Rights set out in paragraph 22 above and who:

(a) is ultimately determined by this Honourable Court to be entitled to be paid fair value for his, her or its Common Shares, shall be deemed to have transferred those Common Shares as of the Effective Time, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to the Purchaser in consideration for a payment of cash from the Purchaser equal to such fair value; or

(b) is for any reason ultimately determined by this Honourable Court not to be entitled to be paid fair value for his, her or its Common Shares pursuant to the exercise of the Dissent Right, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall SCGI, the Purchaser or any other person be required to recognize such Shareholders as holders of Common Shares at or after the date upon which the Arrangement becomes effective and the names of such Shareholders shall be deleted from SCGI's register of holders of Common Shares at that time.

Hearing of Application for Approval of the Arrangement

25. **THIS COURT ORDERS** that upon approval by the Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, SCGI may apply to this Honourable Court for final approval of the Arrangement.

26. **THIS COURT ORDERS** that distribution of the Notice of Application and the Interim Order, when sent in accordance with paragraphs 12 and 13, shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served unless a Notice of Appearance is served in accordance with paragraph 27.

27. **THIS COURT ORDERS** that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for SCGI and the Purchaser as soon as reasonably practicable, and, in any event, no less than three (3) business days before the hearing of this Application at the following addresses:

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Peter Kolla / Sarah Stothart
Tel: (416) 979-2211
Fax: (416) 979-1234
Email: pkolla@goodmans.ca / sstothart@goodmans.ca

Lawyers for the Applicant

BORDEN LADNER GERVAIS LLP
Barristers & Solicitors
Bay Adelaide Centre, East Tower
22 Adelaide St. W, Suite 3400
Toronto, Ontario M5H 4E3

David Di Paolo / Graham Splawski
Tel: (416) 367-6000
Fax: (416) 367-6749
Email: ddipaolo@blg.com / gsplawski@blg.com

Lawyers for the Purchaser

28. **THIS COURT ORDERS** that, subject to further order of this Honourable Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

(i) SCGI;

(ii) the Purchaser; and

(iii) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

29. **THIS COURT ORDERS** that any materials to be filed by SCGI in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Honourable Court.

30. **THIS COURT ORDERS** that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 27 shall be entitled to be given notice of the adjourned date.

Precedence

31. **THIS COURT ORDERS** that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Common Shares, Options, DSUs or RSUs, or the articles or by-laws of SCGI, this Interim Order shall govern.

Extra-Territorial Assistance

32. **THIS COURT** seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Honourable Court in carrying out the terms of this Interim Order.

Variance

33. **THIS COURT ORDERS** that SCGI shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Honourable Court may direct.

SUPERIOR COURT OF JUSTICE
ENTERED

JUL 11 2019

COUR SUPÉRIEURE DE JUSTICE
ENTRÉ

IN THE MATTER OF AN APPLICATION UNDER SECTION 182, *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B.16, AS AMENDED

Court File No.: CV-19-00623226-00CL

STREET CAPITAL GROUP INC.
Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

INTERIM ORDER
(July 11, 2019)

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Peter Kolla LSO#: 54608K
pkolla@goodmans.ca
Sarah Stothart LSO#: 73068O
sstothart@goodmans.ca

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Applicant,
Street Capital Group Inc.

6957119

APPENDIX G
NOTICE OF APPLICATION FOR FINAL ORDER

CV-19-00623226-00CL
Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF AN APPLICATION UNDER SECTION 182 OF THE *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B.16, AS AMENDED, AND RULES 14.05(2) AND 14.05(3) OF THE *RULES OF CIVIL PROCEDURE*

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING STREET CAPITAL GROUP INC., ITS SHAREHOLDERS OPTIONHOLDERS, DEFERRED SHARE UNITHOLDERS AND RESTRICTED SHARE UNITHOLDERS and RFA CAPITAL HOLDINGS INC.

STREET CAPITAL GROUP INC.

Applicant

NOTICE OF APPLICATION

TO THE RESPONDENTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing before a Judge presiding over the Commercial List on August 26, 2019 at 10:00 a.m., or as soon after that time as the application may be heard, at 330 University Avenue, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH

TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date July 5, 2019

Issued by Cardoso

Local registrar
Alexandra Medeiros Cardoso
Registrar, Superior Court of Justice

Address of court office: 330 University Avenue, 7th floor
Toronto, Ontario M5G 1R7

TO: **ALL HOLDERS OF COMMON SHARES OF STREET CAPITAL GROUP INC., AS AT JULY 8, 2019**

AND TO: **ALL HOLDERS OF OPTIONS TO ACQUIRE COMMON SHARES OF STREET CAPITAL GROUP INC., AS AT JULY 8, 2019**

AND TO: **ALL HOLDERS OF DEFERRED SHARE UNITS OF STREET CAPITAL GROUP INC., AS AT JULY 8, 2019**

AND TO: **ALL HOLDERS OF RESTRICTED SHARE UNITS OF STREET CAPITAL GROUP INC., AS AT JULY 8, 2019**

AND TO: **ERNST & YOUNG LLP**

222 Bay Street, P.O. Box 251
Toronto, Ontario M5K 1J7
Attn: Robert Farlinger

Auditors for Street Capital Group Inc.

AND TO: **BORDEN LADNER GERVAIS LLP**

Bay Adelaide Centre, East Tower
22 Adelaide St. W, Suite 3400
Toronto, Ontario M5H 4E3
Attn: David Di Paolo and Graham Splawski

Lawyers for RFA Capital Holdings Inc.

APPLICATION

1. **THE APPLICANT MAKES APPLICATION FOR:**

   a) an interim Order for advice and directions pursuant to section 182(5) of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the "OBCA") with respect to a proposed arrangement (the "Arrangement") involving Street Capital Group Inc. ("SCGI"), its shareholders, optionholders, deferred share unitholders and restricted share unitholders, and RFA Capital Holdings Inc. (the "Purchaser");

   b) a final Order approving the Arrangement pursuant to section 182(3) of the OBCA; and

   c) such further and other relief as this Honourable Court may deem just.

2. **THE GROUNDS FOR THE APPLICATION ARE:**

   a) SCGI is a corporation incorporated under the laws of the Province of Ontario. The common shares in the capital of SCGI (the "Common Shares") are listed on the Toronto Stock Exchange ("TSX") under the symbol "SCB".

   b) SCGI's operations are currently concentrated in residential mortgage lending through its wholly owned subsidiary, Street Capital Bank of Canada, which was founded in 2007 as Street Capital Financial. Street Capital Bank of Canada has grown to establish itself as one of the largest mortgage lenders in Canada, with $27.6 billion in mortgages under administration at December 31, 2018. In December 2016, Street Capital Bank of Canada was approved to commence business operations as a federally regulated Schedule I bank, and bank operations began on February 1, 2017.

   c) The Purchaser is a privately held Ontario corporation managed by RFA Capital Inc. and backed by a variety of private equity investors. The Purchaser is part of the RFA group, a multi-platform, Canadian-owned investment company founded in 1996 and focused on equity and debt investments in Canadian real estate. Since 1996, the RFA group has invested in over $15 billion in real estate transactions, including: as a market leader in CMBS transactions; commercial real estate

through Nexus REIT; a growing retirement portfolio; construction loans and in restructuring distressed real estate assets. Through various platforms and operating companies, the RFA group employs over 500 people across Canada.

d) Pursuant to the Arrangement, among other things:

i) the Purchaser will acquire all of the issued and outstanding Common Shares;

ii) holders of Common Shares will receive $0.68 in cash for each Common Share held;

iii) holders of options to purchase Common Shares that are granted and outstanding immediately prior to the effective time of the Arrangement (the "Effective Time") (whether vested or unvested) ("Options") shall immediately have their Options disposed of and surrendered in exchange for a cash payment equal to the amount (if any) by which (A) the product of the number of Common Shares underlying such Options held by such holder multiplied by $0.68 exceeds (B) the aggregate exercise price payable under such Options by the holders to acquire the Common Shares underlying such Options (net of applicable withholdings); and

iv) holders of deferred share units of SCGI ("DSUs") or restricted share units of SCGI ("RSUs") that are granted and outstanding immediately prior to the Effective Time shall immediately have their DSUs or RSUs disposed of and surrendered in exchange for a cash payment equal to $0.68 per DSU or RSU (net of applicable withholdings).

e) Upon completion of the Arrangement, SCGI will become wholly owned by the Purchaser and it is expected that the Common Shares will no longer publicly trade and will be de-listed from the TSX.

f) The Arrangement is an "arrangement" within the meaning of subsection 182(1) of the OBCA.

g) All statutory requirements under the OBCA and any interim Order have been or will be satisfied by the return date of this Application.

h) The directions set out and the approvals required pursuant to any interim Order this Honourable Court may grant have been followed and obtained, or will be followed and obtained by the return date of this Application.

i) The Arrangement is in the best interests of SCGI and is fair to the holders of Common Shares and is put forward in good faith.

j) The Arrangement is procedurally and substantively fair and reasonable overall.

k) Section 182 of the OBCA.

l) National Instrument 54-101 – *Communication with Beneficial Owners of the Securities of a Reporting Issuer* of the Canadian Securities Administrators.

m) Certain holders of Common Shares, Options, DSUs and/or RSUs are resident outside of Ontario and will be served at their addresses as they appear on the books and records of SCGI as at July 8, 2019, being the record date set by SCGI, pursuant to rule 17.02(n) of the *Rules of Civil Procedure* and the terms of any interim Order for advice and directions granted by this Honourable Court.

n) Rules 1.04, 1.05, 14.05(2), 14.05(3), 38 and 39 of the *Rules of Civil Procedure*.

o) Such further and other grounds as counsel may advise and this Honourable Court may permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE APPLICATION:**

a) such interim Order as may be granted by this Honourable Court;

b) an Affidavit to be sworn on behalf of SCGI by Duncan Hannay, President and Chief Executive Officer of SCGI, describing the Arrangement and outlining the basis for an interim Order for advice and directions, with exhibits thereto;

c) a further Affidavit(s) to be sworn on behalf of SCGI, reporting as to compliance with any interim Order and the results of any meeting conducted pursuant to such interim Order, with exhibits thereto; and

d) such further and other material as counsel may advise and this Honourable Court may permit.

July 5, 2019

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Peter Kolla LSO#: 54608K
pkolla@goodmans.ca
Sarah Stothart LSO#: 73068O
sstothart@goodmans.ca

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Applicant,
Street Capital Group Inc.

IN THE MATTER OF AN APPLICATION UNDER SECTION 182, *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B.16, AS AMENDED

STREET CAPITAL GROUP INC.
Applicant

Court File No.:
CV-19-00623226-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

NOTICE OF APPLICATION
(returnable August 26, 2019)

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Peter Kolla LSO#: 54608K
pkolla@goodmans.ca
Sarah Stothart LSO#: 73068O
sstothart@goodmans.ca

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Applicant,
Street Capital Group Inc.

6956990

APPENDIX H
SECTION 185 OF THE OBCA

Rights of dissenting shareholders

185 (1) Subject to Subsection (3) and to Sections 186 and 248, if a corporation resolves to,

(a) amend its articles under Section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;

(b) amend its articles under Section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;

(c) amalgamate with another corporation under Sections 175 and 176;

(d) be continued under the laws of another jurisdiction under Section 181; or

Note: On a day to be named by proclamation of the Lieutenant Governor, Subsection 185 (1) of the Act is amended by striking out "or" at the end of clause (d) and by adding the following clauses: (See: 2017, c. 20, Sched. 6, s. 24)

(d.1) be continued under the *Co-operative Corporations Act* under Section 181.1;

(d.2) be continued under the *Not-for-Profit Corporations Act, 2010* under Section 181.2; or

(e) sell, lease or exchange all or substantially all its property under Subsection 184 (3),

a holder of shares of any class or series entitled to vote on the resolution may dissent.

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in Subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under Section 168 or 170 may dissent, except in respect of an amendment referred to in,

(a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or

(b) Subsections 170 (5) or (6).

One class of shares

(2.1) The right to dissent described in Subsection (2) applies even if there is only one class of shares. 2006, c. 34, Sched. B, s. 35.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under Section in respect of an amendment of the articles of the corporation to the extent that the amendment,

(a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by Section 277; or

(b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986.

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to Subsection (30), a shareholder who complies with Section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted.

No partial dissent

(5) A dissenting shareholder may only claim under Section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in Subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent.

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of Subsection (6).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in Subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection.

Idem

(9) A notice sent under Subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights.

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under Subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares.

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under Subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Idem

(12) A dissenting shareholder who fails to comply with Subsections (6), (10) and (11) has no right to make a claim under this Section.

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under Subsection (11) a notice that the holder is a dissenting shareholder under Section and shall return forthwith the share certificates to the dissenting shareholder.

Rights of dissenting shareholder

(14) On sending a notice under Subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under Section except where,

(a) the dissenting shareholder withdraws notice before the corporation makes an offer under Subsection (15);

(b) the corporation fails to make an offer in accordance with Subsection (15) and the dissenting shareholder withdraws notice; or

(c) the directors revoke a resolution to amend the articles under Subsection 168(3), terminate an amalgamation agreement under Subsection 176(5) or an application for continuance under Subsection 181 (5), or abandon a sale, lease or exchange under Subsection 184(8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in Subsection (10).

Same

(14.1) A dissenting shareholder whose rights are reinstated under Subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with Subsection (13),

(a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or

(b) if a resolution is passed by the directors under Subsection 54(2) with respect to that class and series of shares,

(i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and

(ii) to be sent the notice referred to in Subsection 54(3). 2011, c. 1, Sched. 2, s. 1 (11).

Same

(14.2) A dissenting shareholder whose rights are reinstated under Subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under Subsection (10) is entitled,

(a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under Subsection (10); and

(b) to be sent the notice referred to in Subsection 54(3). 2011, c. 1, Sched. 2, s. 1 (11).

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in Subsection (10), send to each dissenting shareholder who has sent such notice,

(a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or

(b) if Subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(16) Every offer made under Subsection (15) for shares of the same class or series shall be on the same terms.

Idem

(17) Subject to Subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under Subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Application to court to fix fair value

(18) Where a corporation fails to make an offer under Subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder.

Idem

(19) If a corporation fails to apply to the court under Subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow.

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under Subsections (18) or (19).

Costs

(21) If a corporation fails to comply with Subsection (15), then the costs of a shareholder application under Subsection (19) are to be borne by the corporation unless the court otherwise orders.

Notice to shareholders

(22) Before making application to the court under Subsection (18) or not later than seven days after receiving notice of an application to the court under Subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to the corporation the notice referred to in Subsection (10); and

(b) has not accepted an offer made by the corporation under Subsection (15), if such an offer was made,

of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions.

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under Subsections (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application.

Idem

(24) Upon an application to the court under Subsections (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders.

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

(26) The final order of the court in the proceedings commenced by an application under Subsections (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Where corporation unable to pay

(28) Where Subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under Subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(29) Where Subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under Subsection (28), may,

(a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Idem

(30) A corporation shall not make a payment to a dissenting shareholder under Section 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 thereby be less than the aggregate of its liabilities.

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in Subsections (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under Subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission. 1994, c. 27, s. 71 (24).

Commission may appear

(32) The Commission may appoint counsel to assist the court upon the hearing of an application under Subsection (31), if the corporation is an offering corporation. 1994, c. 27, s. 71 (24).

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