



TIMBERCREEK  
FINANCIAL

**NOTICE OF ANNUAL MEETING**  
**and**  
**MANAGEMENT INFORMATION CIRCULAR**  
**of**  
**TIMBERCREEK FINANCIAL CORP.**

**Meeting to be held at 1:00 p.m. (Toronto time) on Wednesday, May 11, 2022**

**Dated: March 25, 2022**

**As a result of the ongoing COVID-19 pandemic, our annual general meeting of shareholders will be held as a virtual-only meeting.** A virtual-only meeting format is being adopted to enfranchise and give all shareholders an equal opportunity to participate at the Meeting regardless of their geographic location or other particular constraints, circumstances or risks they may be facing as a result of COVID-19. **Shareholders will not be able to physically attend the meeting in person. Important details about the meeting and how shareholders can participate virtually are set out in this Management Information Circular and the accompanying proxy materials.**

# TIMBERCREEK FINANCIAL CORP.

## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares of Timbercreek Financial Corp. (the “**Company**”) will be held as follows:

**When:** Wednesday, May 11, 2022 at 1:00 p.m. (Toronto time)

**Where:** Virtual-only meeting via live audio webcast online at URL:  
<https://web.lumiagm.com/403893530>  
Password: "timbercreek2022" (case sensitive)

As a result of the ongoing COVID-19 pandemic, the Meeting will be held as a virtual-only meeting with participation electronically as explained further in the accompanying Information Circular (“**Information Circular**”). A virtual-only meeting format is being adopted in response to COVID-19 to enfranchise and give all of our Shareholders an equal opportunity to participate at the Meeting regardless of their geographic location or the particular constraints, circumstances or risks they may be facing as a result of COVID-19. Shareholders will not be able to physically attend the Meeting in person.

The Meeting will be held for the following purposes:

1. to receive the financial statements of the Company for the financial year ended December 31, 2021 and the report of the auditors thereon;
2. to elect the directors of the Company to hold office until their successors are elected at the next annual meeting of the Company, unless their office is earlier vacated;
3. to appoint KPMG LLP as the auditors of the Company to hold office until the next annual meeting of the Company and to authorize the directors to fix the remuneration to be paid to the auditors; and
4. to transact such other business as may properly be brought before the Meeting.

The Information Circular contains details of the matters to be considered at the Meeting. The above matters are deemed to include consideration of any permitted amendment to or variation of any matter identified in this notice and to transact such other business as may properly come before the Meeting or any adjournment thereof. Management is not aware of any other matters which are expected to come before the Meeting.

The directors of the Company have fixed March 25, 2022 (the “**Record Date**”) as the record date for determining the Shareholders entitled to receive notice of and to vote at the Meeting. Only registered Shareholders of the Company as of the close of business on the Record Date will be entitled to receive notice of and to vote, in person or by proxy, at the Meeting.

The Company has elected to use the notice-and-access provisions (“**Notice-and-Access Provisions**”) under National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) and National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that allows issuers to post electronic versions of proxy-related materials online, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to securityholders.

Electronic copies of this notice, the Information Circular and other Meeting materials may be found on the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) and on a host website at [www.meetingdocuments.com/TSXT/TF/](http://www.meetingdocuments.com/TSXT/TF/).

Shareholders are reminded to review the accompanying Information Circular before voting.

Shareholders will receive paper copies of a notice package (the "**Notice Package**") via pre-paid mail containing a notice with the information prescribed by NI 54-101 and a form of proxy (if a registered Shareholder) or a voting instruction form (if a non-registered Shareholder). The Company will not use procedures known as "stratification" in relation to the use of the Notice-and-Access Provisions. Stratification occurs when an issuer using the Notice-and-Access Provisions sends a paper copy of the Information Circular to some securityholders with a Notice Package.

Shareholders may obtain paper copies of the Information Circular and the Meeting materials free of charge by calling 1-888-433-6443 or by email at [tsxt-fulfilment@tmx.com](mailto:tsxt-fulfilment@tmx.com) at any time up until the date of the Meeting, including any adjournment or postponement thereof. Any Shareholder wishing to obtain a paper copy of the Meeting materials should submit their request no later than 2:00 p.m. (Toronto time) on April 28, 2022 in order to receive paper copies of the Meeting materials in time to vote before the Meeting. Shareholders may also use the toll-free number noted above to obtain more information about the Notice-and-Access Provisions. Under the Notice-and-Access Provisions, Meeting materials will be available for viewing on the host website for one year from the date of posting.

Registered Shareholders and duly appointed proxyholders will be able to virtually attend the Meeting, submit questions and vote in real time, provided they are connected to the internet and follow the instructions in the accompanying Information Circular. Non-registered, or beneficial, Shareholders who have not duly appointed themselves as proxyholder will be able to virtually attend the Meeting as guests, but will not be able to vote at the Meeting.

Shareholders who wish to appoint a person other than the management nominees identified in the form of proxy or voting instruction form (including a beneficial Shareholder who wishes to appoint themselves to attend the Meeting) must carefully follow the instructions in the attached Information Circular and on their form of proxy or voting instruction form. These instructions include the additional step of registering such proxyholder with our transfer agent, TSX Trust Company (the "**Transfer Agent**"), after submitting the form of proxy or voting instruction form. If you wish that a person other than the management nominees identified on the form of proxy or voting instruction form attend and participate at the Meeting as your proxy and vote your common shares, you **MUST** register such proxyholder after having submitted your form of proxy or voting instruction form identifying such proxyholder. Failure to register the proxyholder with the Transfer Agent will result in the proxyholder not receiving a control number to participate in the Meeting and only being able to attend as a guest. Guests will be able to listen to the Meeting but will not be able to vote.

DATED at Toronto, Ontario as of March 25, 2022.

#### BY ORDER OF THE BOARD OF DIRECTORS

By: (Signed) "Blair Tamblyn"

Name: R. Blair Tamblyn

Title: Chair

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## TIMBERCREEK FINANCIAL CORP.

### MANAGEMENT INFORMATION CIRCULAR

#### SOLICITATION OF PROXIES

This management information circular (this “**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Timbercreek Financial Corp. (the “**Company**”) for use at the annual meeting (the “**Meeting**”) of shareholders of the Company (“**Shareholders**”) to be held at 1:00 p.m. (Toronto time) on Wednesday, May 11, 2022. As a result of the ongoing COVID-19 pandemic, the Meeting will be held as a virtual-only meeting. The virtual-only format will mitigate the risk to the health and safety of our communities, employees, Shareholders and other stakeholders and will allow Shareholders an equal opportunity to participate at the Meeting regardless of their geographic location or the particular constraints, circumstances or risks they may be facing as a result of COVID-19. See “*How to Attend the Meeting*” for further information on how you can virtually attend the Meeting.

References in this Information Circular to the Meeting include any adjournment or adjournments thereof. It is expected that the solicitation will be primarily by mail; however, proxies may also be solicited personally, by advertisement or by telephone by directors, officers or employees of the Company or of Timbercreek Capital Inc., the manager of the Company (the “**Manager**”), to whom no additional compensation will be paid. The solicitation of proxies is made by management on behalf of the Company and the cost of solicitation will be borne by the Company. In this Information Circular, unless the context otherwise suggests, references to you, your and Shareholder are to a holder of common shares (“**Common Shares**”) of the Company.

Unless otherwise stated, the information contained in this Information Circular is as of March 25, 2022.

#### FORWARD LOOKING STATEMENTS

This Information Circular contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “proposes”, “expects”, “estimates”, “intends”, “anticipates” or “believes”, or variations (including negative and grammatical variations) of such words and phrases that state that certain actions, events or results “may”, “could”, “would” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by the forward-looking statements. Examples of such statements include, but are not limited to, the Company’s operations, business prospects and strategies and the nature of the Company. Actual results, performance and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Information Circular. Such forward-looking statements are based on a number of factors and assumptions which may prove to be incorrect, including, but not limited to: the ability of the Company to acquire and maintain a portfolio of mortgage assets capable of generating the necessary annual yield or returns to enable the Company to achieve its business objectives, the ability of the Company to establish and maintain relationships and agreements with key strategic partners, the qualification of the Company as a mortgage investment corporation under the *Income Tax Act* (Canada), the maintenance of prevailing interest rates at favourable levels, the ability of borrowers to service their obligations under the mortgage assets of the Company, the ability of the Manager (as defined below) to effectively perform its obligations owed to the Company and to effectively manage the mortgage assets in circumstances where an issue has arisen with respect to repayment of a mortgage loan or the borrower, anticipated costs and expenses, competition, and changes in general economic conditions, including the risks related to COVID-19. While the Company anticipates that subsequent events and developments may cause its performance to change, the Company specifically disclaims any obligation to update these forward-looking statements, except as required by applicable law. These forward-looking statements should not be relied upon as representing the Company’s views as of any date subsequent to the date of this Information Circular. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors

that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results, performance and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the Company.

### **NOTICE-AND-ACCESS**

The Company has elected to use the notice-and-access provisions (“**Notice-and-Access Provisions**”) under National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) and National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that allows issuers to post electronic versions of proxy-related materials online, via SEDAR and one other website, rather than mailing paper copies of such materials to securityholders.

Electronic copies of the Notice of Meeting, this Information Circular and other Meeting materials may be found on the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) and on a host website at [www.meetingdocuments.com/TSXT/TF/](http://www.meetingdocuments.com/TSXT/TF/).

Shareholders are reminded to review this Information Circular before voting.

Shareholders will receive paper copies of a notice package (the “**Notice Package**”) via pre-paid mail containing a notice with the information prescribed by NI 54-101 and a form of proxy (if a Registered Shareholder as defined under “*How to Vote Your Common Shares – Registered Shareholders*”) or a voting instruction form (if a Beneficial Shareholder as defined under “*How to Vote Your Common Shares – Beneficial Shareholders*”). The Company will not use procedures known as “stratification” in relation to the use of the Notice-and-Access Provisions. Stratification occurs when an issuer using the Notice-and-Access Provisions sends a paper copy of this Information Circular to some securityholders with a Notice Package.

Shareholders may obtain paper copies of this Information Circular and the Meeting materials free of charge by calling 1-888-433-6443 or by email at [tsxt-fulfilment@tmx.com](mailto:tsxt-fulfilment@tmx.com) at any time up until the date of the Meeting, including any adjournment or postponement thereof. Any Shareholder wishing to obtain a paper copy of the Meeting materials should submit their request no later than 2:00 p.m. (Toronto time) on April 28, 2022 in order to receive paper copies of the Meeting materials in time to vote before the Meeting. Shareholders may also use the toll-free number noted above to obtain more information about the Notice-and-Access Provisions. Under the Notice-and-Access Provisions, Meeting materials will be available for viewing on the host website for one year from the date of posting.

The Company anticipates that relying on the Notice-and-Access Provisions will directly benefit the Company through a substantial reduction in both postage and material costs, and also promote environmental responsibilities by decreasing the large volume of paper documents generated by printed proxy-related materials.

### **RECORD DATE**

The board of directors of the Company (the “**Board**”) has fixed the close of business on March 25, 2022 as the record date (the “**Record Date**”), being the date for the determination of the registered holders of securities entitled to receive notice of the Meeting. **Duly completed and executed proxies must be received by TSX Trust Company (the “Transfer Agent”) by no later than 1:00 p.m. (Toronto time) on May 9, 2022 or, if the Meeting is adjourned or postponed, at least 48 hours prior to the time of the adjourned or postponed Meeting.** Please see “*How to Vote Your Common Shares*” for more details.

## **QUORUM**

For the Meeting, a quorum is present if 25% of the outstanding Common Shares are represented in person or by proxy at the Meeting. In accordance with the by-laws of the Company, if the Meeting is adjourned for lack of a quorum, at the adjourned Meeting, the Shareholders present at the Meeting or represented by proxy shall form the quorum whatever the number of Common Shares represented.

## **HOW TO VOTE YOUR COMMON SHARES**

### **Registered Shareholders**

You are a registered Shareholder (a “**Registered Shareholder**”) if your name is recorded in the Company’s register of holders of Common Shares and you hold one or more share certificates which indicate your name and the number of Common Shares which you own.

#### *Voting by Proxy*

As a Registered Shareholder, you will receive a form of proxy from the Transfer Agent representing the Common Shares you hold. You may authorize the management representatives named on the enclosed form of proxy to vote your Common Shares. If you choose this option, you can give your voting instructions in any of the following ways:

#### **Internet:**

Go to [www.tsxtrust.com/vote-proxy](http://www.tsxtrust.com/vote-proxy) and follow the instructions. You will need to refer to the control number printed on your proxy voting form.

#### **Mail:**

Complete and return your proxy voting form in the envelope provided in your mailing package and mail to:

TSX Trust Company  
Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1.

#### **Telephone:**

Call the toll-free number on the enclosed proxy form using a touchtone telephone and follow the voice instructions. Please have your control number ready to give your voting instructions on the telephone. This number is located on the bottom left of the enclosed proxy form. If your proxy form does not contain a control number, you will not be able to vote by telephone.

#### **Email:**

Scan both sides of your completed proxy form and send to email address: [proxyvote@tmx.com](mailto:proxyvote@tmx.com).

#### **Facsimile:**

Complete your proxy form and fax both sides of the completed proxy form to TSX Trust Company at 416-368-2502 or toll-free from Canada or the United States at 1-866-781-3111.

**You may also appoint another person to participate in the Meeting as proxyholder on your behalf and vote your Common Shares. If you choose this option, you must print that person’s name in the blank space provided on the enclosed form of proxy, you may indicate how you want your Common Shares voted, and YOU MUST return your proxy by mail and telephone the Transfer Agent at (866) 751-6315 (within North America) or (212) 235-5754 (outside North America), or register your appointment on <https://www.tsxtrust.com/control-number-request> no later than 1:00 p.m. (Toronto time) on May 9, 2022 and provide the Transfer Agent with the required information for your appointee so that the Transfer Agent may provide the appointee with a control number via email. This control number will allow your appointee to log in to and vote at the Meeting. Without a control**



**number, your proxyholder will only be able to log in to the Meeting as a guest and will not be able to vote.** You may also appoint a second person to be your alternate proxyholder. Neither your proxyholder nor alternate proxyholder need be a Shareholder. The person you appoint must participate in the Meeting and vote on your behalf in order for your votes to be counted.

**Unless you intend to participate in the Meeting and vote at the Meeting (see “How to Vote your Common Shares – Registered Shareholders – Voting at the Meeting” below), please remember that your proxy or voting instructions must be received no later than 1:00 p.m. (Toronto Time) on May 9, 2022.**

**The persons named in the form of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. In the absence of such direction, such Common Shares will be voted:**

- (a) FOR the election of the directors referred to in this Information Circular; and**
- (b) FOR the appointment of KPMG LLP as the Company’s auditors to hold office until the next annual meeting of the Company with their remuneration to be fixed by the Board.**

**The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.** At the time of printing of this Information Circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxyholders.

A proxy given pursuant to this solicitation may be revoked by an instrument in writing executed by a Registered Shareholder or by a Registered Shareholder’s attorney authorized in writing (or, if the Registered Shareholder is a corporation, by a duly authorized officer or attorney) and deposited either at the registered office of the Company (25 Price Street, Toronto, Ontario, Canada M4W 1Z1; Attention: Corporate Secretary) at any time up to and including the last business day preceding the day of the Meeting (or an adjournment thereof) or with the Chair of the Meeting on the day of the Meeting (or an adjournment thereof) or in any other manner permitted by law.

#### *Voting at the Meeting*

If you are a Registered Shareholder and wish to vote at the Meeting, you do not need to complete or return your form of proxy. Registered Shareholders and their duly appointed proxyholders may vote at the Meeting by completing a ballot online during the Meeting, as further described below under “*How to Participate in the Meeting*”.

If you vote at the Meeting and had previously completed and returned your form of proxy, your proxy will be automatically revoked and any votes you cast in person on a poll at the Meeting will count.

#### **Beneficial Shareholders**

You are a beneficial Shareholder (a “**Beneficial Shareholder**”) if a nominee (i.e. your securities broker, clearing agency, financial institution, trustee or custodian or other intermediary) holds your Common Shares for you, or for someone else on your behalf. There are two categories of Beneficial Shareholders for the purposes of applicable securities regulatory policy relating to dissemination of proxy-related materials: (i) those who object to their identity being made known to the issuers of securities which they own (“**Objecting Beneficial Owners**”) and (ii) those who do not object to their identity being made known to the issuers of securities which they own (“**Non-Objecting Beneficial Owners**”). The Notice Package will be sent indirectly, through intermediaries, to both Non-Objecting Beneficial Owners and Objecting Beneficial

Owners in accordance with NI 54-101. The Company is assuming the cost of such delivery to Objecting Beneficial Owners.

#### *Voting by Proxy*

Your nominee may have sent to you the Notice of Meeting, including a voting instruction form or a blank proxy form signed by the nominee. You may provide your voting instructions by filling in the appropriate boxes. Please follow your nominee's instructions for signing and returning the applicable materials. Sometimes you may be allowed to give your instructions by internet or telephone.

If you are a Beneficial Shareholder and you did not receive a form of proxy or voting instruction form with a control number, please contact your nominee.

**Unless you intend to participate in the Meeting and vote at the Meeting (see “How to Vote your Common Shares – Beneficial Shareholders – Voting at the Meeting” below), please remember that your proxy or voting instructions must be received no later than 1:00 p.m. (Toronto Time) on May 9, 2022.**

#### *Voting at the Meeting*

Only Registered Shareholders and their duly appointed proxyholders will be entitled to vote at the Meeting. **Beneficial Shareholders who have not duly appointed themselves as proxyholder will not be able to vote at the Meeting but will be able to participate as guests.** This is because the Company and our Transfer Agent do not have a record of the Beneficial Shareholders, and, as a result, will have no knowledge of their shareholdings or entitlement to vote unless they appoint themselves as proxyholder.

If you are a Beneficial Shareholder and wish to vote at the Meeting, you can request your nominee to appoint you as its proxyholder. Insert your own name as proxyholder on the voting instruction form or proxy form you received from your nominee and then follow your nominee's instructions. **YOU MUST also telephone the Transfer Agent at (866) 751-6315 (within North America) or (212) 235-5754 (outside North America) no later than 1:00 p.m. (Toronto time) on May 9, 2022 and provide the Transfer Agent with the required information so that the Transfer Agent may provide you with a control number. This control number will allow you to log in to and vote at the Meeting. Without a control number you will only be able to log in to the Meeting as a guest and will not be able to vote.**

### **HOW TO PARTICIPATE IN THE MEETING**

The Company is holding the Meeting in a virtual-only format, which will be conducted via live webcast. Shareholders will not be able to physically attend the Meeting in person.

Participating in the Meeting online enables Registered Shareholders and duly appointed proxyholders, including Beneficial Shareholders who have duly appointed themselves as proxyholder, to listen to the Meeting and to submit questions. Registered Shareholders and duly appointed proxyholders can also vote at the appropriate times during the Meeting.

Guests, including Beneficial Shareholders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out below. Guests can listen to the Meeting but are not able to vote.

**Step 1:** Log in online at URL: <https://web.lumiagm.com/403893530>. **We recommend that you log in at least one hour before the Meeting starts.**

**Step 2:** Follow these instructions:

**Registered Shareholders:** Click “**I have a control number**” and then enter your control number and password “timbercreek2022” (case sensitive). The control number located on the form of proxy or in the email notification you received from the Transfer Agent is your control number. If you use your control number to log in to the Meeting, any vote you cast at the Meeting will revoke any proxy you previously submitted. If you do not wish revoke a previously submitted proxy, you should not vote during the Meeting.

**Duly appointed proxyholders:** Click “**I have a control number**” and then enter your control number and password “timbercreek2022” (case sensitive). Proxyholders who have been duly appointed and registered with the Transfer Agent as described in this Information Circular will receive a control number by email from the Transfer Agent after the proxy voting deadline has passed.

**Guests (including Beneficial Shareholders who have not duly appointed themselves as proxyholder):** Click “**Guest**” and then complete the online form.

The Meeting website will be accessible 60 minutes prior to the start of the Meeting. It is important that all attendees log in to the Meeting website at least 10 minutes prior to the start of the Meeting to allow enough time to complete the log in process.

*You will need the latest versions of Chrome, Safari, Edge and Firefox. Please ensure your browser is compatible by logging in early. PLEASE DO NOT USE INTERNET EXPLORER.*

**Caution:** Internal network security protocols including firewalls and VPN connections may block access to the Lumi platform for your AGM. If you are experiencing any difficulty connecting or watching the meeting, ensure your VPN setting is disabled or use a computer on a network not restricted to security settings of your organization.

## **MATTERS REQUIRING SHAREHOLDER APPROVAL**

### **Election of Directors**

Under the articles of amalgamation of the Company (the “**Articles**”), the number of directors of the Company is set at a minimum of three (3) and a maximum of ten (10) and the Board is authorized to determine the actual number of directors within that range to be elected from time to time. Each director is elected annually and holds office until the next annual meeting of Shareholders unless he or she sooner ceases to hold office. The Articles also provide that the Board has the power to appoint additional directors at any time between annual meetings of shareholders, provided that the total number of directors so appointed shall not exceed one-third of the number of directors elected at the previous annual meeting.

The Company currently has eight (8) directors. The Board has determined that the number of directors to be elected at the Meeting shall be six (6) as two directors will not be seeking re-election. The Company intends to nominate the balance of the current directors of the Company (the “**Nominees**”) for election as directors. At the Meeting, Shareholders will be asked to vote upon the election of each of the Nominees as directors of the Company. Each Nominee elected as a director will hold office until the close of the next annual meeting of the Shareholders or until he or she resigns or his or her successor is elected or appointed. The Nominees are, in the opinion of the Board and management, well qualified to act as directors for the ensuing year. The persons named in the form of proxy, in the absence of direction to the contrary of the Shareholder appointing them, intend to vote for the election of such Nominees whose names are set forth in the table below. However, in the event that any of the Nominees should become unavailable for election for any presently unforeseen reason, the persons named in the proxy will have the right to use their discretion in selecting a substitute.

The information presented in the table below has been provided by the respective Nominee as of March 15, 2022. The number of Common Shares owned, controlled or directed includes Common Shares

beneficially owned, directly or indirectly, or over which control or direction is exercised by the proposed Nominee.

<u>Name and Province of Principal Residence</u>	<u>Position with the Company</u>	<u>Principal Occupation</u>	<u>Number of Common Shares Owned, Controlled or Directed</u>	<u>Number of Deferred Share Units Owned<sup>(1)</sup></u>
R. Blair Tamblyn <i>Ontario, Canada</i>	Non-independent Director (Chair) (appointed June 30, 2016; previously director and Chair of TMIC and TSMIC since April 30, 2008) and appointed Chief Executive Officer of the Company on November 13, 2020	Director and Chief Executive Officer of the Manager	550,057 <sup>(2)</sup>	Nil
W. Glenn Shyba <sup>(3)(4)</sup> <i>Ontario, Canada</i>	Independent Director (appointed June 30, 2016; previously director of TMIC since April 30, 2008)	Principal, Origin Merchant Partners	15,969	47,645
Amar Bhalla <sup>(5)</sup>	Independent Director (appointed November 13, 2020)	Principal, Amdev Property Group	Nil	7,165
Deborah Robinson <sup>(4)</sup> <i>Ontario, Canada</i>	Independent Director (appointed November 9, 2021)	President, Bay Street HR	3,000	Nil
Scott Rowland <i>Ontario, Canada</i>	Non-independent Director (appointed November 13, 2020)	Chief Investment Officer of the Manager	3,000	Nil
Pamela Spackman <sup>(3)(4)</sup> <i>Ontario, Canada</i>	Independent Director (appointed January 1, 2019)	Corporate Director	5,700	21,493

**Notes:**

- (1) Represents deferred share units (“DSUs”) granted pursuant to the Company’s deferred share unit plan (“DSU Plan”). See “Deferred Share Unit Plan and Share Ownership Guidelines” for details of the terms of the DSUs and the DSU Plan.
- (2) Includes Common Shares owned, controlled or directed by Timbercreek Asset Management LLC.
- (3) Member of the Audit Committee of the Board.
- (4) Member of the Corporate Governance and Nominating Committee of the Board.
- (5) Chair of the Audit Committee of the Board.

The following are biographies of the Nominees as directors of the Company:

**R. Blair Tamblyn** – Mr. Tamblyn co-founded Timbercreek Asset Management in 1999 and is Chief Executive Officer of the Company and the Manager. Mr. Tamblyn is also Chair of the Board for the Company. In his role as CEO, Mr. Tamblyn is responsible for identifying strategic initiatives, managing global capital markets activities, general oversight of Timbercreek’s corporate operations, as well as participating as a member of the Manager’s Investment Committee. Mr. Tamblyn has over 25 years of experience in public and private capital markets and has led the origination, structuring, capitalization and execution of all public and private Timbercreek funds. Prior to co-founding Timbercreek, Mr. Tamblyn worked at Connor, Clark & Company. Mr. Tamblyn is an independent director of Parkit Enterprise Inc. (TSXV: PKT). Mr. Tamblyn holds a Bachelor of Arts in History and Political Science from Western University. Mr. Tamblyn also completed the small/medium sized Enterprise Board Effectiveness Program offered by Rotman and the Institute of Corporate Directors.

**W. Glenn Shyba** – Mr. Shyba is a Founder and Principal of Origin Merchant Partners which is an independent investment bank that provides value added corporate finance, mergers and acquisitions and merchant banking services across several core industries. He has spent over 20 years in the commercial real estate industry in Canada and is focused on the principal investing side. Prior to Origin Merchant Partners, Mr. Shyba was Executive Vice President and Chief Operating Officer at Osmington Inc., one of Canada's most active and successful private commercial real estate owners and developers. Mr. Shyba has extensive transactional experience having had corporate responsibility for in excess of \$2.0 billion in acquisitions and dispositions, and for the firm's finance and treasury functions. Mr. Shyba also has a depth of experience in commercial real estate development having planned and executed numerous commercial development projects. Prior to Osmington Inc., Mr. Shyba was Vice President, Development at a major North American property developer. He also participated in the development of one of Canada's first property valuation software programs for commercial real estate. Mr. Shyba holds a Bachelor of Commerce degree from the University of British Columbia.

**Amar Bhalla** – Mr. Bhalla is a principal at the Amdev Property Group ("Amdev"), a private real estate company that owns and manages a portfolio of apartment buildings, commercial sites, and development projects in the Greater Toronto Area ("GTA"). He has over 20 years of experience in the acquisition, repositioning and redevelopment of GTA based real estate across asset classes. As well as his role at Amdev, Mr. Bhalla is founder of Capit Investment Corp., a Toronto based merchant bank focused on near public investment opportunities in both technology and mineral industry businesses. Mr. Bhalla has and continues to serve on the boards of several TSX and TSX-V listed businesses across technology and mineral industries and is the current Chair of Dream Impact Trust (TSX: MPCT.UN), Chair of the Independent Review Committee for BristolGate Capital Partners, Chair of the Audit Committee of Galane Gold Ltd. (TSXV: GG). Mr. Bhalla is a CFA charter holder, a member of the Institute of Corporate Directors and holds a BA in Economics from McGill University.

**Deborah Robinson** – Ms. Robinson is President and the Founder of Bay Street HR, and has over 25 years of diverse Human Resources and Governance experience in a variety of sectors and has an extensive network in the Canadian capital markets community. Prior to founding Bay Street HR, Ms. Robinson was an Executive Director at CIBC World Markets, overseeing human resources for Global Investment Banking. Ms. Robinson is a director of Park Lawn (TSX:PLC), Blockchain Foundry (CSNX:BCFN), a Director and Co- Founder of Best Buddies Charitable Foundation and is a graduate of the Directors Education Program of the Institute of Corporate Directors and holds the institute's ICD.D designation.

**Scott Rowland** – Mr. Rowland is the Chief Investment Officer of the Manager, and is responsible for the development of investment strategies and processes, as well as the overall performance of the Company's portfolios. Mr. Rowland has over 20 years of industry experience with roles including the Co-Head of Debt Strategies for Fiera Properties and the Managing Director for Blackstone's debt business in Canada. During a 19-year career at GE Capital, Mr. Rowland held a variety of roles including credit underwriting, Asset Management Leader, Originations Leader and the Managing Director for Real Estate in Canada. Mr. Rowland is a leading Canadian non-bank lender, having been involved in over \$10B of transactions. His loan structuring and valuation expertise extends across all commercial asset types and in markets across Canada. Mr. Rowland holds an Honours Bachelor of Commerce from McMaster University and is a registered mortgage broker #M08007185.

**Pamela Spackman** – Ms. Spackman, a corporate director, is a member of the Valuation Committee of Crestpoint Real Estate Advisors and serves on the Independent Investment Committee for Bentall GreenOak High Yield Canadian Property Fund (a closed-end fund investing in high yield mortgage debt and real estate equity in Canada). She previously served as a member of the Board of Directors and was a member of the Investment Committee for WPT Industrial REIT, from May 2017 until the publicly traded TSX listed REIT was sold in October 2021. Ms. Spackman served on the Board of Trustees, was Chair of Corporate Governance, Compensation and Nominating Committee and a member of the Audit Committee for Slate Office REIT (formerly FAM REIT) from December 2012 until May 2019. She served as Chair of the Timbercreek Mortgage Advisory Committee from July 2008 until June 2016 and on the Board of Gazit America Inc., from July 2009 until August 2012 (the date of their privatization). She also held the position

as President and CEO of Column Canada Financial Corporation, a wholly-owned subsidiary of Credit Suisse Group AG from July 2000 to July 2008. Prior to that, Ms. Spackman was Vice-President Mortgage Investments at the Ministry of Finance, Province of British Columbia and an Investment Manager for Workers' Compensation Board Investment fund in Ontario. She acquired the ICD.D designation in 2010 following completion of the institute of Corporate Directors program at University of Toronto.

**Management recommends that Shareholders vote FOR the election of each of the Nominees as directors of the Company.**

### Appointment of Auditors

The Company proposes that KPMG LLP, Chartered Professional Accountants of Toronto, Ontario, be appointed as auditors of the Company for the year ending December 31, 2022 and that the Audit Committee be authorized to fix their remuneration. KPMG LLP has been the auditors of the Company since June 30, 2016 (the "**Amalgamation Date**"), the date on which the Company was formed through the amalgamation of Timbercreek Mortgage Investment Corporation ("**TMIC**") and Timbercreek Senior Mortgage Investment Corporation ("**TSMIC**"). KPMG LLP was the auditors of TMIC from June 25, 2009 to the Amalgamation Date, and the auditors of TSMIC from January 17, 2012 to the Amalgamation Date. The Audit Committee is satisfied that KPMG LLP meets the relevant independence requirements and is free from conflicts of interest that could impair their objectivity in conducting the Company's audit.

The following table sets out, by category, the fees billed by KPMG LLP in the fiscal year ended December 31, 2021, for the services noted:

Category	Year Ended December 31, 2021
Audit fees <sup>(1)</sup> .....	\$609,386
Audit-related fees <sup>(2)</sup> .....	\$88,385
Tax fees <sup>(3)</sup> .....	\$35,891
All other fees .....	\$0
<b>Total</b>	<b>\$733,662</b>

**Notes:**

- (1) Refers to the aggregate fees billed by KPMG LLP for annual audit, assurance and interim audit services relating to the audit of the Company. In addition, audit fees were paid for services that generally only the Company's independent auditors can reasonably provide, including services provided in connection with statutory and regulatory filings related to prospectus and other offering documents. The audit fees for 2021 include fees related to the Company's debenture offerings in July and December, as well as the Company's at-the-market equity program.
- (2) Refers to the aggregate fees billed for audit related services by KPMG LLP that are reasonably related to the performance of the audit.
- (3) Refers to the aggregate fees billed for professional services rendered by KPMG LLP for tax compliance, tax advice and tax planning. Specifically, in respect of 2021, \$28,602 related to tax compliance and preparation of tax returns.

The resolution appointing the auditors must be passed by a majority of the votes cast by Shareholders who vote in respect of that resolution. The persons named in the form of proxy, in the absence of direction to the contrary of the Shareholder appointing them, intend to vote FOR such resolution.

**Management recommends that Shareholders vote FOR the appointment of KPMG LLP as the auditors of the Company to hold office until the next annual meeting of the Company and to authorize the directors to fix the remuneration to be paid to the auditors.**

## **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

### **Authorized and Outstanding Securities**

The authorized capital of the Company consists of an unlimited number of Common Shares. As of the date of this Information Circular, there were 83,008,855 issued and outstanding Common Shares.

### **Voting Rights of Common Shares**

Holders of Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company, and each Common Share confers the right to one vote in person or by proxy at all such meetings of shareholders of the Company.

In addition, any of the following matters will require approval by a resolution passed by at least 66<sup>2</sup>/<sub>3</sub>% of the votes cast by the holders of the Common Shares at a meeting called and held for the consideration of such matter:

- (a) a change in the Manager, other than (A) a change resulting in an affiliate of the Manager assuming such position, (B) a termination of the Management Agreement (as defined herein) between the Manager and the Company, or (C) a change in accordance with the terms of the Management Agreement for which shareholder approval is not required;
- (b) any increase in the basis of calculating the management fee paid to the Manager pursuant to the Management Agreement or the rate per annum of the management fee;
- (c) a reorganization with, or transfer of assets to, another entity, if:
  - (i) the Company ceases to continue after the reorganization or transfer of assets; and
  - (ii) the transaction results in holders of Common Shares becoming securityholders in the other entity; and
- (d) a reorganization with, or acquisition of assets from, another entity, if:
  - (i) the Company continues after the reorganization or acquisition of assets; and
  - (ii) the transaction results in securityholders of the other entity holding a majority of the total number of outstanding securities of the Company.

### **Holdings of Directors and Officers**

The directors and officers of the Company, as a group, collectively own, directly or indirectly, or exercise control or direction over an aggregate of 634,513 Common Shares, representing approximately 0.76% of the outstanding Common Shares. The independent directors currently hold an aggregate of 120,336.56 DSUs pursuant to the DSU Plan.

### **Principal Holders**

To the knowledge of the Company, no person, firm or corporation beneficially owns, directly or indirectly, or exercises control or direction over 10% or more of the voting rights attached to the Common Shares.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The Company currently has no equity compensation plans in place.

### **CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS**

No director or proposed director of the Company is, as at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company), that:

- (a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that, in each case, was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that, in each case, was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director or proposed director of the Company:

- (a) is, as at the date of this Information Circular, or has been, within the ten (10) years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

No director or proposed director of the Company has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

No director or executive officer of the Company, no proposed nominee for election as a director of the Company, no person who has been a director or executive officer of the Company at any time in the Company's most recently completed financial year and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors.



## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the Company's executive officers, directors, employees, former executive officers, former directors or former employees, has, at any time since January 1, 2021, been indebted to the Company. In addition, none of the indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as described herein, no Informed Person (as such term is defined in NI 51-102) of the Company (including the proposed directors of the Company), nor any associate or affiliate of any Informed Person (or proposed director) of the Company, has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, except for the fact that R. Blair Tamblyn, Scott Rowland, Tracy Johnston, Karynna Ma and John Walsh are all direct or indirect shareholders of the Manager and as such, are interested in the Management Agreement. For more details on the Management Agreement, please see "*Management of the Company – Details of the Management Agreement*".

## **MANAGEMENT OF THE COMPANY**

### **The Manager, TMSI and TIMSI**

On April 3, 2020, the Board approved an amended and restated management agreement dated effective April 1, 2020 (the "**Management Agreement**") between the Company and the Manager, which amended and restated the management agreement dated June 30, 2016. See "*Management of the Company – Details of the Management Agreement*". A copy of the Management Agreement is available for review under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The offices of the Manager, Timbercreek Mortgage Servicing Inc. ("**TMSI**") and Timbercreek Investment Management Services Inc. ("**TIMSI**") are located at 25 Price Street, Toronto, Ontario M4W 1Z1. Pursuant to the terms of the Management Agreement, the Manager acts as the manager of the Company and provides or arranges for the provision of all services required by the Company. In addition, pursuant to an amended and restated mortgage origination, participation and services agreement (the "**Mortgage Services Agreement**") dated as of September 12, 2018, TMSI, a licensed mortgage brokerage firm in British Columbia, Alberta, Saskatchewan and Ontario, provides mortgage origination and brokerage services to the Company. Pursuant to an investment services agreement (the "**Investment Services Agreement**") dated January 31, 2022, TIMSI provides or arranges for services and activities, which under applicable securities legislation, can only be lawfully provided by a person holding the relevant licenses, registrations or other qualifications or permits or having exemptions from such requirements to the Company.

### **Details of the Management Agreement**

#### *Duties and Services Provided by the Manager*

Pursuant to the Management Agreement, the Manager is the manager of the Company and, as such, is responsible for making all investment decisions of the Company in accordance with its business objectives, strategy and restrictions and for arranging for the execution of all portfolio transactions. The Manager may delegate certain of its powers to third parties, where, in the discretion of the Manager, it would be in the best interests of the Company to do so. Without limiting the generality of the foregoing, the Manager is required to engage a licensed mortgage broker to provide mortgage origination and brokerage services to the Company.

The Manager's duties include, without limitation: (i) authorizing the payment of operating expenses incurred on behalf of the Company; (ii) preparing the annual operating budget of the Company; (iii) coordinating the

preparation and delivery to the Board and the Shareholders of financial statements (including quarterly and annual financial statements) and other reports as are required by applicable law from time to time; (iv) monitoring the Company's compliance with regulatory requirements; (v) preparing the Company's reports to Shareholders and the Canadian securities regulatory authorities; (vi) recommending to the Board the amount of distributions to be made by the Company to Shareholders; and (vii) appointing third-party service providers for the Company, including registrars, transfer agents, auditors and printers.

Under the Management Agreement, the Manager is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Company and to exercise the standard of care, diligence and skill that the Manager possesses or ought to possess as a prudent asset manager. The Management Agreement provides that the Manager will not be liable in any way for any default, failure or defect in the portfolio held by the Company or for any act performed, or failure to act by the Manager within the scope of the Manager's authority under the Management Agreement. The Manager will incur liability, however, in cases of wilful misconduct, bad faith, gross negligence, or breach of the Manager's standard of care or by any material breach or default by it of its obligations under the Management Agreement.

#### *Term of the Management Agreement*

The term of the Management Agreement is for a period of 10 years commencing on April 1, 2020, and will be automatically renewed for successive 5-year terms thereafter, unless:

- (a) terminated by the Company upon approval of a 2/3 majority of the votes cast by the independent directors of the Company:
  - (i) at the conclusion of the initial term or any renewal term, upon 12 months' prior written notice to the Manager;
  - (ii) on the date upon which the Company has ceased carrying on its mortgage investment operations and has been wound up and all of the investments have been sold and all proceeds therefrom realized or upon the liquidation and dissolution of the Company;
  - (iii) at any time in the event that (i) there is a material breach of the Management Agreement by the Manager that is not remedied within 60 days of written notice to the Manager (or such longer period as may be reasonably required to remedy such breach, provided such longer period does not exceed 120 days), (ii) the Manager commits any act of bad faith, wilful malfeasance, gross negligence or reckless disregard of its duties, or (iii) any bankruptcy, insolvency or liquidation proceedings are taken against the Manager or if the Manager makes an assignment for the benefit of its creditors, commits any act of bankruptcy or declares itself or is declared to be insolvent; or
  - (iv) upon 12 months' written notice delivered to the Manager at any time after the fourth anniversary of the commencement of the initial term, and upon payment of an amount equal to (i) three times the "Annual Fee Basis", which means all management fees earned by the Manager in the previous 12 months; and (ii) all fees and expenses due and owing to the Manager up to and including the date of termination (together, the "**Early Termination Fee**"). Notwithstanding the foregoing, if less than three years remain in the initial term, or any renewal term, as applicable, the Early Termination Fee payable shall be an amount equal to (A) the number of days in the period between the date of termination and the last day of the initial term or renewal term, as applicable, multiplied by the quotient of the Annual Fee Basis divided by 365; and (B) all expenses due and owing to the Manager up to and including the date of termination;
- (b) terminated by the Manager:

- (i) in the event that there is a material breach of the Management Agreement by the Company that is not remedied within 60 days of written notice to the Company (or such longer period as may be reasonably required to remedy such breach, provided such longer period does not exceed 120 days); or any bankruptcy, insolvency or liquidation proceedings are taken against the Company or the Company makes an assignment for the benefit of its creditors, commits any act of bankruptcy or declares itself or is declared to be insolvent; or
- (ii) at any time after the initial term, provided at least 12 months' notice is given to the Company.

#### *Compensation of the Manager*

For acting as manager of the Company, the Manager receives from the Company a management fee equal to 0.85% per annum of the gross assets of the Company, calculated and paid monthly in arrears, plus applicable taxes and is reimbursed for all reasonable costs and expenses incurred by the Manager on behalf of the Company. The Manager is also entitled to a servicing fee equal to 0.10% per annum, plus applicable taxes, of the amount of any senior tranche of a mortgage asset that is syndicated by the Manager to a third party investor on behalf of the Company, where the Company retains the corresponding subordinated position. The gross assets are calculated as the total amount of assets of the Company before deducting any liabilities, but less any mortgage syndication liabilities. There is no performance fee payable to the Manager under the Management Agreement. The Manager is permitted to collect, as compensation for its work syndicating any mortgage investments, a portion of the origination fee paid by borrowers of mortgage investments.

The Management Agreement also provides that, in respect of each mortgage investment made on or after April 1, 2020 involving syndication to another party of an A-Note with the Company retaining a B-Note component, the Manager shall be entitled to retain, from any origination fee generated in respect of such loan, an amount equal to 0.2% (or 20 basis points) of the whole loan amount (the "**Mortgage A-Note Arrangement Fee**") if such syndication occurs at closing of the mortgage investment or within 90 days after such closing; provided, however, the Mortgage A-Note Arrangement Fee will not apply to any renewal of existing mortgage investments which already include syndicated A-Note and B-Note components. If the syndication is not completed within 90 days, the Manager shall return to the Company the Mortgage A-Note Arrangement Fee (or, in the event the whole loan includes multiple participants (other than the syndication of an A-Note), the proportion of the Mortgage A-Note Arrangement Fee equivalent to the Company's proportionate participation in the whole loan). For purposes of the Management Agreement, the term "**A-Note**" means any senior tranche of a mortgage where the Company invests in a corresponding subordinated B-Note that has been syndicated by the Manager at the date on which such mortgage investment is made or the Manager has a *bona fide* intention to syndicate such mortgage (and finally successfully completes the syndication) to one or more third parties; and the term "**B-Note**" means a mortgage investment that is a participation or interest in a syndicated mortgage and which is subordinated to a senior participant in the same whole loan.

Other than as provided for in the Management Agreement, any mortgage loan origination fees paid by borrowers in respect of mortgage loan amounts funded by the Company are remitted to the Company. The Manager may make an annual election, subject to approval of the independent directors of the Board, to receive a specified percentage or amount (the "**Election Amount**") of the Mortgage A-Note Arrangement Fee in Common Shares instead of cash. If the independent directors of the Board approve such election, the independent directors will determine the quantum of the Election Amount. Any issuance of Common Shares in connection therewith will be subject to compliance with applicable laws and stock exchange rules.

Any fees payable to TMSI pursuant to the Mortgage Services Agreement or to TIMSI pursuant to the Investment Services Agreement will be paid by the Manager. There is no additional fee payable by the Company to TMSI or TIMSI and the Manager will not charge the Company any fee payable by the Manager to TMSI or TIMSI as a disbursement or as expenses under the Management Agreement.

### *Other Provisions*

The Management Agreement provides for certain non-competition restrictions in respect of the Manager's activities outside of the business of the Company. Although the Manager is permitted to provide similar management services to other investment funds and other clients, even though such activities may be in competition with the Company, the non-competition restrictions provide, among other things, that the Manager shall not create or act as manager for a mortgage investment entity with substantially similar investment objectives and policies as the Company.

Other than as stated above, the management services to be provided by the Manager under the Management Agreement are not exclusive to the Company and nothing in the Management Agreement prevents the Manager from providing similar management services to other investment funds and other clients or from engaging in other activities.

### **Details of the Mortgage Services Agreement**

Pursuant to the Mortgage Services Agreement, TMSI oversees the servicing of all mortgages in the portfolio in order to monitor the status of all loans. TMSI provides day-to-day administration of individual mortgages in the portfolio.

### **Details of the Investment Services Agreement**

The Investment Services Agreement provides for TMSI to provide, or arrange for the provision of, services which under applicable securities legislation, can only be lawfully provided by a person holding the relevant licenses, registrations or other qualifications or having exemptions from such requirements. Such services include evaluating and advising on investments in the context of the Company's investment guidelines.

### **Amount paid and payable to the Manager**

From January 1, 2021 to March 1, 2022, the aggregate management fees paid to the Manager were \$14,962,370. Servicing fees paid to the Manager for the period from January 1, 2021 to March 1, 2022 amounted to \$902,722. Arrangement Fees (as defined under "*Executive Compensation – Compensation Discussion and Analysis*") paid to the Manager for the period from January 1, 2021 to March 1, 2022 amounted to \$1,767,818.

### **Investment Committee**

All mortgage investments made by the Company are first approved by the investment committee of the Manager ("**Investment Committee**"), which is an internal committee of the Manager established for the purposes of approving all mortgage investments and any other investment which falls into the enhanced returns portfolio made by the Company. The members of the Investment Committee are R. Blair Tamblyn, Scott Rowland, Patrick Smith and Geoff McTait.

Each mortgage loan is subject to a detailed review process. Mortgage loans that are determined to be satisfactory by the Manager upon completion of its due diligence will be presented to the Investment Committee together with a comprehensive due diligence report. The Investment Committee will consider each investment opportunity presented to it by the Manager with a view to assessing the strength of the security covenants of such mortgage investment opportunities, and the payment and default risks associated with that mortgage. In considering the adequacy of the underlying real estate that is offered as security on a proposed loan, the Investment Committee will rely on a review of (among other things):

- real estate valuations – supported by third party appraisals;
- environmental risks – supported by third party environmental reports;

- covenants of the borrower and/or guarantor;
- exit strategy for the proposed loan;
- default risk of the proposed loan; and
- structural integrity of the real estate that is offered as security for a proposed loan, supported by third party structural/engineering reports (where necessary).

Following its analysis of the mortgage investment opportunities, the Investment Committee will make a recommendation to the Manager. Only with a positive recommendation from the Investment Committee will the Manager consider whether or not to allocate assets of the Company to such opportunities. The Manager will consider overall asset allocation and risk analysis before giving final approval of funding. The Investment Committee and the Manager are also responsible for approving any extensions or modifications to loans that were previously approved.

The following table sets forth the name and province of residence and principal occupation of the members of the Investment Committee:

<b>R. Blair Tamblyn, Ontario, Canada</b>	<b>Director and Chief Executive Officer of the Manager</b>
<b>Scott Rowland, Ontario, Canada</b>	<b>Chief Investment Officer of the Manager</b>
<b>Patrick Smith, Ontario, Canada</b>	<b>Managing Director, Global Credit of the Manager</b>
<b>Geoff McTait, Ontario, Canada</b>	<b>Managing Director, Canadian Originations and Global Syndications of the Manager</b>

The relevant education and experience of R. Blair Tamblyn and Scott Rowland can be found in their respective biographies. See *“Matters Requiring Shareholder Approval – Election of Directors”*.

**Patrick Smith** – Mr. Smith joined Timbercreek in September of 2012 as Director, Origination. In his current role as Managing Director, Head of Global Credit, he is in charge of leading the global underwriting, asset management, closing and loan servicing teams for the Canadian, U.S. and Irish debt platforms, and is responsible for all credit approvals. In his previous role as Executive Director, Global Credit, Canada, Mr. Smith led the global underwriting team in support of origination and credit approval for the Canadian platform, as well as provided global asset management support by overseeing loan modifications, surveillance and reporting. Mr. Smith has 20 years of experience in real estate finance and asset management. Prior to joining Timbercreek, Mr. Smith worked at Conundrum Capital as Director of Asset Management and was responsible for the acquisition, financing and asset management of a commercial property portfolio. Prior to that, Mr. Smith worked at Merrill Lynch’s Canadian CMBS lending group for 10 years, holding progressively senior positions in origination, credit and structuring. Mr. Smith holds a Bachelor of Arts from Western University and is a Licensed Mortgage Broker #M14000724.

**Geoff McTait** – Mr. McTait joined Timbercreek in January 2019 as Executive Director, Head of Origination, Canada. In his current role as Managing Director, Canadian Originations and Global Syndications, Mr. McTait leads the Canadian debt origination team and global syndications initiatives. Mr. McTait has over 20 years of commercial real estate lending experience. Prior to joining Timbercreek, he was SVP and Co-Head Debt Strategies at Fiera Properties where he focused on relationships and transactions, including new-business origination, underwriting and closing. Before this, Mr. McTait held origination leadership positions of increasing seniority at Blackstone and GE Capital Real Estate. Mr. McTait holds an Honours Degree in Geography, Urban Development, from the University of Western Ontario. He is a Mortgage Agent, licensed with both FSCO (Ontario) and FICOM (B.C.) accreditations.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

The senior management team of the Company consists of individuals employed by the Manager. Pursuant to the Management Agreement, the Manager directs the affairs and manages the business and administers or arranges for the administration of the Company's day-to-day operations. There are no employment agreements between members of senior management and the Company, and the Company does not pay any compensation to any individuals serving as officers, directly or indirectly. In consideration for the services provided to the Company, the Manager is paid a management fee equal to 0.85% per annum of the gross assets of the Company, paid monthly in arrears, plus applicable taxes. The Manager is also entitled to a servicing fee equal to 0.10% per annum, plus applicable taxes, of the amount of any senior tranche of a mortgage asset that is syndicated by the Manager to a third party investor on behalf of the Company, where the Company retains the corresponding subordinated position. In addition, the Manager is entitled to retain from any lender fee generated, in respect of a syndicated loan to another party of a senior tranche where the Company holds the subordinated component of the loan, an amount equal to 0.20% of the whole loan amount ("**Arrangement Fee**"). See "*Management of the Company – Amount Paid and Payable to the Manager*".

Although certain individuals hold titles as officers of the Company, these officers are employees of the Manager. The board of directors of the Manager has sole responsibility for determining the compensation of the employees of the Manager, including those serving as officers of the Company. The Board, rather than a compensation committee, is responsible for compensation matters of the Company, including the remuneration of the Manager pursuant to the Management Agreement.

Other than as set out under "*Deferred Share Unit Plan and Share Ownership Guidelines*", there are no contracts, agreements or arrangements that provide for payments by the Company to a Named Executive Officer ("**NEO**") following or in connection with any termination, resignation or retirement of or by the NEO in respect of his or her position with the Company or in the event of a change in control of the Company.

### Summary Compensation Table

Securities legislation requires disclosure of the compensation received by each NEO of the Company for each of its three most recently completed financial years. "**NEO**" is defined by securities legislation to mean: (i) the Chief Executive Officer; (ii) the Chief Financial Officer; (iii) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and (iv) each individual who would be a "NEO" under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of the most recently completed financial year.

During the year ended December 31, 2021, the Company had five NEOs (all of whom are employees of the Manager). The following table and notes thereto provide a summary of the compensation paid by the Manager to each NEO of the Company that is attributable to time spent by such NEO on the activities of the Company for the financial year ended December 31, 2021.

Name and Principal Position of Named Executive Officer	Year	Salary <sup>(1)</sup> (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation		All Other Compensation <sup>(3)</sup> (\$)	Total Compensation (\$)
					Annual Incentive Plans <sup>(2)</sup> (\$)	Long-Term Incentive Plans (\$)		
R. Blair Tambllyn Chief Executive Officer <sup>(4)</sup>	2021	295,000	Nil	Nil	Nil	Nil	Nil	295,000
	2020	81,000	Nil	Nil	20,000	Nil	Nil	101,000
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Tracy Johnston <sup>(5)</sup> Chief Financial Officer	2021 2020 2019	124,000 39,000 Nil	Nil Nil Nil	Nil Nil Nil	131,750 34,000 Nil	Nil Nil Nil	Nil Nil Nil	255,750 73,000 Nil
Scott Rowland Chief Investment Officer of the Manager <sup>(6)</sup>	2021 2020 2019	318,750 213,000 123,750	Nil Nil Nil	Nil Nil Nil	56,250 38,000 140,250	Nil Nil Nil	Nil Nil Nil	375,000 251,000 264,000
Geoff McTait Managing Director of the Manager <sup>(7)</sup>	2021 2020 2019	195,000 195,000 165,000	Nil Nil Nil	Nil Nil Nil	207,000 174,000 135,000	Nil Nil Nil	Nil Nil Nil	402,000 369,000 300,000
Patrick Smith Managing Director of the Manager <sup>(8)</sup>	2021 2020 2019	156,000 182,750 156,825	Nil Nil Nil	Nil Nil Nil	169,000 121,550 106,250	Nil Nil Nil	Nil Nil Nil	325,000 304,300 263,075

**Notes:**

- (1) Represents the portion of salary paid by the Manager attributable to time spent on the activities of the Company.
- (2) Represents the portion of annual bonus paid by the Manager attributable to time spent on the activities of the Company.
- (3) None of the NEOs receives any compensation for acting as member of the Board. See "Director Compensation" below.
- (4) Mr. Tamblin was appointed as Chief Executive Officer of the Company effective November, 2020.
- (5) Ms. Johnston was appointed as Chief Financial Officer of the Company effective November, 2020.
- (6) Mr. Rowland was appointed as Chief Investment Officer of the Manager effective September, 2020.
- (7) Mr. McTait was appointed as Managing Director of the Manager effective December, 2020.
- (8) Mr. Smith was appointed as Managing Director of the Manager effective December, 2021.

**Principal Elements of Compensation**

The compensation of the NEOs includes two major elements: (1) base salary; and (2) an annual cash bonus (as further described below). The Manager determines executive compensation with input from senior management of the Manager. There is no specific formula for determining the amount of each element, nor is there a formal approach applied by the Manager for determining how one element of compensation fits into the overall compensation objectives in respect of the activities of the Company. Objectives and performance measures may vary from year to year as determined to be appropriate by the Manager.

The role of the Board in determining compensation is limited to oversight of the allocation of time between the Manager and the Company. The Board has determined that, generally, processes and controls are in place to mitigate any risks and, overall, such risks are not significant and not reasonably likely to have a material adverse effect on the Company. Although the Board has not adopted any policies in this regard, in the event that a NEO or director of the Company purchases financial instruments that are designed to hedge or offset a decrease in market value of our equity securities granted as compensation or held, directly or indirectly, by the NEO or director, such purchases must be disclosed in the insider reporting filings of a NEO or director.

The NEOs do not benefit from medium term incentives, pension plan participation or equity incentives. Perquisites and personal benefits are not a significant element of compensation of the NEOs.

The two principal elements of compensation are described below.

*Base Salaries*

Base salaries are paid by the Manager and are intended to provide an appropriate level of fixed compensation that will assist in employee retention and recruitment. Base salaries are determined on an individual basis, taking into consideration the past, current and potential contribution to the success of the Company, the position and responsibilities of the NEOs and competitive industry pay practices for other mortgage investment corporations and corporations of comparable size. The Manager has not engaged compensation consultants or advisors for the purposes of performing benchmarking to date and instead uses internal resources to ensure compensation is aligned with comparable mortgage lending businesses.

## Annual Cash Bonuses

Annual cash bonuses are paid by the Manager and are awarded primarily based upon qualitative and quantitative performance standards, and reward performance of both the Company and the NEO individually. The determination of the performance of the Company may vary from year to year depending on economic conditions and conditions in the mortgage lending industry and may be based on measures such as the meeting of financial targets against budget and balance sheet performance. Individual performance factors vary and may include completion of specific projects or transactions and the execution of day-to-day management responsibilities.

## Director Compensation

Directors' compensation is subject to such amendments as the directors may determine from time to time. A member of the Board who is not an independent director does not receive any remuneration from the Company for serving as a member of the Board or any Board committee.

The Board's compensation policy provides that the Company pays independent directors' fees of \$47,000 per independent director per annum, 50% of which must be paid in DSUs, with the balance payable in cash or DSUs, at the director's option. The lead independent director receives an additional fee of \$10,000 per annum. The Chair of the Audit Committee receives an additional fee of \$14,000 per annum, and members of the Audit Committee receive an additional fee of \$9,000 per annum. The Chair of the Corporate Governance and Nominating Committee receives an additional fee of \$8,000 per annum, and members of the Corporate Governance and Nominating Committee receive an additional fee of \$5,000 per annum. The policy does not provide for the payment of additional per meeting fees.

The compensation structure reflects a focus on aligning directors' interests with those of the Shareholders by giving the independent directors the option to receive up to 100% of their compensation in the form of DSUs. See "*Deferred Share Unit Plan and Share Ownership Guidelines*" below. An aggregate of 37,162.34 DSUs were granted in respect of the financial year ended December 31, 2021, as described in the table below.

Members of the Board or any Board committee are entitled to reimbursement of their out-of-pocket expenses incurred in acting as a member of the Board or any Board committee. The directors of the Company may also be entitled to additional remuneration from the Company for the performance of additional services and special projects for the Company. The amount of any such remuneration is determined by the independent directors.

The table below sets forth the aggregate compensation paid to members of the Board, in their capacities as directors of the Company in respect of the financial year ended December 31, 2021.

Name of Director <sup>(1)</sup>	Fees and retainer earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	All Other Compensation (\$)	% of retainer deferred into DSUs	DSU Dividend Equivalents (Value) (\$)	Total Compensation (\$)
W. Glenn Shyba	76,000	Nil	Nil	Nil	100%	27,032	103,032
Pamela Spackman	61,000	Nil	Nil	Nil	100%	10,784	71,784
Derek J. Watchorn	64,000	Nil	Nil	Nil	100%	25,306	89,306
Amar Bhalla	56,833	Nil	Nil	Nil	100%	1,731	58,564
Deborah Robinson <sup>(2)(4)</sup>	8,999	Nil	Nil	Nil	Nil	Nil	8,999
Steven R. Scott <sup>(3)</sup>	Nil	Nil	Nil	Nil	N/A	22,361	22,361

### Notes:

- (1) Subject to Note (3) below, only independent directors are included in this table, as a member of the Board who is not an independent director does not receive any remuneration for serving as a member of the Board or any Board committee.
- (2) Ms. Robinson was appointed as an independent director on November 9, 2021.



- (3) Mr. Scott became a non-independent director on November 13, 2020. His total compensation reflects amounts received as dividends on his DSUs while he was an independent director. Mr. Scott resigned as a director on November 9, 2021.
- (4) Ms. Robinson is a United States citizen and the issuance of DSUs results in adverse tax consequences to her under applicable United States tax rules. Therefore, Ms. Robinson receives her retainer as cash compensation and uses at least 50% of her cash compensation to purchase Common Shares in the open market.

### **Deferred Share Unit Plan and Share Ownership Guidelines**

Pursuant to the Company's DSU Plan, independent directors may elect to receive all or a portion of their annual board compensation and any other fees payable to the independent director in the form of DSUs. DSUs may only be redeemed once the independent director ceases to be a director of the Company, including by way of death or disability. Following such date, the independent director (or his or her beneficiary, as applicable) will be paid a lump sum payment, net of withholding taxes, equal to the number of DSUs held by such independent director directly multiplied by the fair market value of a Common Share as of the 24<sup>th</sup> business day after the Company's next interim financial statements (or where the independent director ceases to be a director in the fourth quarter, the annual financial statements) are published or such other date as may be determined by the Board.

Independent directors will be credited with additional DSUs (including, if applicable, fractional DSUs) in respect of dividends declared by the Company on the Common Shares, calculated by dividing (i) the product obtained by multiplying the amount of the dividend paid by the Company on each Common Share by the number of DSUs held by the independent director as of the record date for the payment of such dividend, by (ii) the volume weighted average price of the Common Shares reported by the Toronto Stock Exchange for the twenty trading days immediately preceding the record date.

In connection with the DSU Plan, the Company has adopted share ownership guidelines which require independent directors to seek to acquire and maintain a level of direct and indirect ownership of Common Shares with a value equal to a minimum of three times the independent director's expected annual board retainer. Independent directors are expected to achieve this ownership level within five years following the later of (i) the adoption by the Company of the share ownership guidelines and (ii) the director's election to the Board. If the independent director fails to achieve the required threshold, the Board may determine to pay all or a portion of such independent director's compensation in DSUs until such threshold is met.

#### *Insurance Coverage and Indemnification*

The Company has obtained insurance policies that cover corporate indemnification of directors and officers and individual directors and officers in certain circumstances. In addition, the Company's bylaws also provide for the indemnification of directors and officers to the fullest extent permitted by the *Business Corporations Act* (Ontario).

### **Share-based and Option-based Awards**

The Company does not grant share-based or option-based awards to executive officers. As discussed above, the Company does not pay any compensation to any individuals serving as officers of the Company, directly or indirectly.

As discussed above under "*Executive Compensation – Compensation Discussion and Analysis*", the management team of the Company consists of individuals employed by the Manager. Although certain individuals hold titles as our officers, these officers are employees of the Manager. There are no employment agreements between members of senior management and the Company and the Company does not pay any compensation to any individuals serving as officers, directly or indirectly. The Board is responsible for the remuneration of the Manager, which is determined and paid in accordance with the Management Agreement. See "*Management of the Company*". The board of directors of the Manager, and not the Board, has sole responsibility for determining the compensation of the employees of the Manager, including those serving as officers of the Company.

## **CORPORATE GOVERNANCE**

### **Board of Directors**

The Board is responsible for general oversight of the Company's business and affairs. The Board discharges its responsibilities directly and through two committees: the Audit Committee and the Corporate Governance and Nominating Committee. Both committees operate under mandates that are reviewed, and if necessary, updated annually. In fulfilling its responsibilities, the Board delegates day-to-day authority to the Manager pursuant to the Management Agreement. The Company has engaged the Manager to provide services to manage the operations and related affairs of the Company, while reserving the right to review decisions of the Manager and exercise final judgment on any matter. The Manager will review with the Board on a periodic basis its strategic plan for the Company and deliver to the Board ongoing reports on the status of the Company's business and operations. In addition, in accordance with applicable legal requirements and historical practice, all matters of a material nature are presented to the Board for approval. A copy of the Board mandate is attached as Exhibit A.

#### *Audit Committee*

The Audit Committee is currently comprised of Amar Bhalla (Chair), W. Glenn Shyba, Derek J. Watchorn and Pamela Spackman. The primary responsibilities of the Audit Committee include the following:

- reviewing the integrity of the Company's financial statements, management's discussion and analysis, annual and interim profit or loss press releases and other financial disclosures of the Company;
- monitoring the integrity of the financial reporting and disclosure processes and the system of internal controls that management and the Board have established;
- monitoring the Company's compliance with legal and regulatory requirements;
- selecting the external auditors for recommendation to the Board;
- reviewing the qualifications, independence and performance of the external auditors; and
- establishing procedures for complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

See the section titled "*Audit Committee*" of the Company's Annual Information Form, available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com), for additional information on the Audit Committee, including its charter and the relevant education and experience of its members.

#### *Corporate Governance and Nominating Committee*

The Corporate Governance and Nominating Committee is currently comprised of Derek J. Watchorn (Chair), Pamela Spackman, W. Glenn Shyba, and Deborah Robinson. Its primary function is to assist the Board in dealing with corporate governance matters, including developing and recommending to the Board a set of corporate governance principles applicable to the Company; identifying individuals qualified to become Board members and recommending to the Board the director nominees for the next annual meeting of shareholders; evaluating the effectiveness and performance of the Board, committees of the Board and individual directors; reviewing the annual report on corporate governance for inclusion in the Company's annual report or management information circular in accordance with applicable legislation and stock exchange requirements; and reviewing the Company's directors' and officers' liability insurance and indemnification policies.

## **Corporate Strategy**

The Manager is responsible for the development of our long term strategy, and the role of the Board is to review, question, validate and propose changes to that strategy, in order to arrive at an approved strategy to be implemented. The Board will review our long term strategy on an ongoing basis.

## **Composition of the Board**

The Board is currently comprised of eight (8) directors. The Board is of the view that its proposed size of six (6) directors permits a diversity of experience and knowledge and is the appropriate size to foster and promote effective participation, decision making and oversight.

The Board is comprised of a majority of independent directors. It has not established fixed term limits for directors as it is of the view that such a policy would have the effect of forcing directors to resign from the Board who have developed, over a period of service, increased insight into our business and who, therefore, can be expected to provide an increasing contribution to the Board.

## **Other Public Corporation Directorships**

Derek J. Watchorn is a director of Data Communications Management Corp.; Pamela Spackman was a Trustee on the Board of WPT REIT until it was sold in October of 2021; Amar Bhalla is a director of Dream Impact Trust and Galane Gold Ltd.; R. Blair Tamblyn is a director of Parkit Enterprise Inc.; and Deborah Robinson is a director of Park Lawn Corporation and Blockchain Foundry Inc.

## **Director Independence**

Of the current members of the Board, five are independent within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), being W. Glenn Shyba, Pamela Spackman, Derek J. Watchorn, Amar Bhalla and Deborah Robinson. For the purposes of NI 58-101, a director is independent if he or she has no direct or indirect material relationship with the Company. A “material relationship” is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of such member’s independent judgment, and certain relationships are deemed to be material. Consequently, a majority of the members of the Board are independent.

The Board has determined that R. Blair Tamblyn, Scott Rowland and Tracy Johnston are not independent by virtue of their current positions, with Mr. Tamblyn being the Chief Executive Officer of the Company and Chief Executive Officer of the Manager, Mr. Rowland being the Chief Investment Officer of the Manager, and Ms. Johnston being the Chief Financial Officer of the Company and Chief Financial Officer of the Manager; as well as the indirect ownership of R. Blair Tamblyn, Scott Rowland and Tracy Johnston in the securities of the Manager. R. Blair Tamblyn is the Chair of the Board and W. Glenn Shyba is the Lead Independent Director. The role of the Lead Independent Director is to ensure that the Board can operate independently of management and that directors have an independent leadership contact.

The Board has established procedures to enable it to function independently of management and to facilitate open and candid discussion among the independent directors. The Board intends to hold in camera independent director meetings following every quarterly Board meeting as well as following special Board meetings as deemed necessary.

In 2021, the Board met without management and non-independent directors on five separate occasions.

## **Conflicts of Interest**

Certain of our directors and officers may face actual or potential conflicts of interest due to their positions as directors or officers of the Manager, and/or their direct or indirect ownership interest in the Manager. Mr. Tamblyn, Mr. Rowland, Ms. Ma, Ms. Johnston, and Mr. Walsh are directors and/or officers of the

Company and also directors and/or officers of the Manager. These directors and officers may have a conflict of interest in allocating their time between the respective businesses and interests of the Manager and the Company, and other businesses and projects in which they may become involved. Mr. Tamblyn, Mr. Rowland, Mr. Walsh, Ms. Johnston and Ms. Ma are also direct or indirect shareholders of the Manager.

The directors and officers of the Company are required by law to act in the best interests of the Company. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations, if applicable, to any other company could result in a breach of their obligations to act in the best interests of the Company.

### **Succession Planning**

Management succession will be an ongoing activity to be reviewed by the Board, with input from the Manager, as appropriate. This planning process will include, on a continuous basis, the Chief Executive Officer's recommendation of a possible successor in the event of an unexpected incapacitation of the Chief Executive Officer.

### **Roles of the Chair of the Board, Committee Chair and the CEO**

The responsibilities of the Chair of the Board include the efficient organization and operation of the Board. The Chair of the Board is also responsible for ensuring that effective communication exists between the Board and management and that the Board effectively carries out its mandate. Similarly, the Audit Committee chair is responsible for the effective organization and operation of the Audit Committee and the Corporate Governance and Nominating Committee chair is responsible for the effective organization and operation of the Corporate Governance and Nominating Committee. The Lead Independent Director of the Board will chair meetings of the independent directors and assume other responsibilities which the non-management directors may designate from time to time.

The Chief Executive Officer reports formally to the Board, and, where appropriate, to the Audit Committee and the Corporate Governance and Nominating Committee, as well as less formally through discussions with members of the Board, the Audit Committee and the Corporate Governance and Nominating Committee, to advise the Board, the Audit Committee and the Corporate Governance and Nominating Committee on a timely basis of courses of action that are being considered and are being followed. The Chief Executive Officer establishes the strategic and operational orientation of the Company and, in so doing, provides leadership and vision for the effective overall management, profitability, increase in shareholder value and growth of the Company and for conformity with policies agreed upon by the Board. The Chief Executive Officer is directly accountable to the Board for all activities of the Company. The corporate objectives for which the Chief Executive Officer of the Company is responsible will be determined by strategic and financial plans initiated by the Chief Executive Officer, and developed with input from the Board.

### **Director Attendance**

Board members are expected to attend all Board meetings and meetings of Board committees on which they serve. The following table shows meeting attendance records for all individuals who were Board members at or before the final Board and committee meetings of 2021.

<b>Name of Board Member</b>	<b>Board Meeting</b>	<b>Audit Committee Meeting</b>	<b>Corporate Governance and Nominating Committee Meeting</b>
Steven R. Scott <sup>(1)</sup>	7 of 7	N/A	N/A
W. Glenn Shyba	7 of 7	4 of 4	2 of 2
Pamela Spackman	7 of 7	4 of 4	2 of 2
R. Blair Tamblyn	7 of 7	N/A	2 of 2
Derek J. Watchorn	7 of 7	4 of 4	2 of 2
Amar Bhalla	7 of 7	4 of 4	N/A
Scott Rowland	7 of 7	N/A	N/A

**Note:**

(1) Mr. Scott resigned from the Board effective as of the final Board meeting of 2021, which was held on November 9. At that same meeting, Ms. Johnston and Ms. Robinson were appointed to the Board (in Ms. Johnston's case, on an interim basis) and, as such, did not attend any Board or committee as directors in 2021.

### **Orientation and Continuing Education**

The management has established a practice with respect to the orientation and education of new directors. They are given the opportunity to meet with senior management and other directors to familiarize themselves with our business and activities and their responsibilities as directors. New directors are provided with our recent regulatory filings, such as our annual information form and proxy material, the reporting requirements of the directors, information with respect to the Audit Committee and the Corporate Governance and Nominating Committee and their written charters and certain policies and procedures of the Board.

On a continuing basis, management provides periodic presentations to the Board to ensure that our directors are fully informed with respect to our business, and directors are free to contact the Chief Executive Officer and the Chief Financial Officer at any time to discuss any aspect of our business.

### **Ethical Business Conduct**

The Company has not adopted a formal code of business conduct and ethics apart from the code of conduct adopted by the Manager. The Board is of the view that the fiduciary duties placed on individual directors by the Company's governing legislation and common law together with corporate statutory restrictions on an individual director's participation in Board decisions in which the director has an interest are sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Further, to encourage and promote a culture of ethical business conduct, the mandate of the Board requires that the Board be satisfied with the integrity of the Chief Executive Officer and other executive officers and that these officers are creating a culture of integrity throughout the Company.

### **Whistleblower Policy**

The Company has adopted a Receipt of Complaints and Whistleblower Protection Policy. This policy seeks to create procedures for the receipt, retention and treatment by the Audit Committee of concerns, complaints or allegations received by the Company, including confidential and anonymous submissions made by employees, officers and trustees of the Company.

### **Nomination of Directors**

The Corporate Governance and Nominating Committee is responsible for determining the appropriate criteria for selecting and assessing potential directors and makes recommendations to the full Board concerning all candidates for nomination to the Board. At such time as it is determined that a new director is desirable, the Corporate Governance and Nominating Committee will engage in various activities to ensure an effective process for selecting candidates for nomination, including developing criteria for the selection of a new director, developing and maintaining a director skills matrix (identifying the desired competencies, independence, expertise, skills, background and personal qualities that are being sought in

potential candidates) and identifying and recommending individuals qualified and suitable to become directors. The Corporate Governance and Nominating Committee will conduct the recruiting process at all times in accordance with the Company's diversity policy, described in further detail below. The Chair of the Board and/or the Chief Executive Officer will meet with potential new candidates prior to nomination to discuss the time commitments and performance expectations of the position and formal approval will be sought and obtained from the Board in respect of candidates for nomination.

### **Majority Voting Policy**

The Company has adopted a majority voting policy. Under this policy, in an uncontested election of directors, any nominee proposed for election as a director who receives a greater number of "withheld" votes than "for" votes will, promptly following the meeting, tender his or her resignation to the Board (which would be effective upon acceptance by the Board). The Board will promptly consider the resignation and determine whether to accept or reject the resignation. The Board will make a decision regarding acceptance of the resignation within 90 days of the Meeting and will publicly disclose the decision by news release and a report filed on SEDAR at [www.sedar.com](http://www.sedar.com). Where the resignation has not been accepted, the news release will explain why. The Board expects that resignations will be accepted unless there are exceptional circumstances that warrant a contrary decision.

### **Compensation**

The Board does not currently have a compensation committee. As a result of our arrangements with the Manager, the Company does not employ any individuals (and has no employment contracts with any individuals), and thus the Board has determined that there is no need for a separate compensation committee. The compensation of the Manager is determined based on the provisions of the Management Agreement, which can only be amended with the approval of a majority of the independent directors, and if increased, with the approval by a special resolution of Shareholders.

The Board, as a whole, is responsible for implementing a process for reviewing the adequacy and form of compensation of directors of the Company and ensuring that compensation realistically reflects the responsibilities and risk involved in being a director of the Company. The Board requires that remuneration be at a level that will attract and motivate competent members. Compensation is also based on the compensation of directors of similarly situated issuers.

### **Assessments**

The Corporate Governance and Nominating Committee is mandated to regularly assess the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors (including the characteristics, competencies and skills that each individual director is expected to bring to the Board), including considering the appropriate size of the Board. As part of this mandate, at least once every two years, the Corporate Governance and Nominating Committee conducts a formal review and evaluation of the functioning and performance of the committees of the Board and makes recommendations accordingly. The Board has determined that the number of directors of the Company is appropriate for the Board to function at this time and that the Board is properly constituted to reflect the investment of all Shareholders in the Company; however, as noted below under "*Diversity*", the Board amended the diversity policy of the Company to establish a target of having at least one female director on the board by January 1, 2019. This target was achieved with the appointment of Pamela Spackman to the Board effective as of January 1, 2019 and has been subsequently surpassed. On an ongoing basis, the Board will continue to review its size and composition.

### **Diversity**

The Board has adopted a formal diversity policy which addresses several diversity criteria with respect to the members of the Board and senior management, including but not limited to, gender, geographical representation, education, background, regional and industry experience, ethnicity, age, disability and other

distinctions. In particular, the diversity policy requires the Board to have at least one female director and the Company to have at least 25% of the executive officer positions held by women. The Company recognizes that a diverse Board and executive management team will result in a diversity of perspectives which it believes can enhance the Company's leadership, competitive edge and effectiveness. The Board also recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role that women, with appropriate and relevant skills and experience, can play in contributing to the diversity of perspectives on the Board and at the executive officer level. The Board remains committed to basing board member and executive officer nominations on merit and selecting the best person to fulfill these roles. To support the Company's board diversity and executive officer objectives described below, when identifying and considering the selection of candidates for director and senior leadership positions the Board will:

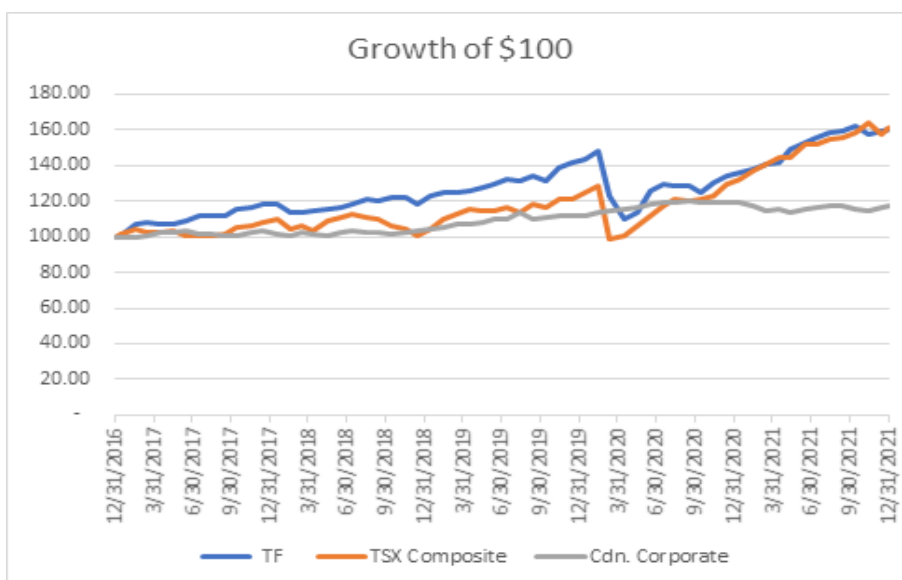
- consider the benefits of all aspects of diversity including, but not limited to, those described above;
- consider the level of representation of women on the Board and in executive officer positions, respectively; and
- in addition to its own searches, if necessary, engage independent external advisors to conduct a search for candidates who meet the Board's and the Company's expertise, skills and diversity criteria to achieve the Company's diversity goals.

Two of the executive officers of the Company or 50% of the executive officers, are female. There are currently three female directors on the Board.

The diversity policy will be reviewed annually by the Corporate Governance and Nominating Committee, which will include an assessment of the effectiveness of the policy.

## Performance

The following graph compares the Company's cumulative total shareholder return for the five most recently completed financial years beginning with the financial year-ended December 31, 2017, based on an investment of \$100 in the Company at the start of that period and assuming dividends were reinvested via the Company's dividend reinvestment program at a two percent (2%) discount. During the period, the total cumulative shareholder return for \$100 was \$160.66 or 60.66%, as compared to \$161.43 or 61.43% for the S&P/TSX Composite Index ("**TSX Composite**") and \$117.15 or 17.15% for the Bloomberg Canada Aggregate Total Return Index ("**Cdn. Corporate**").



As set out in “*Executive Compensation – Compensation Discussion and Analysis*”, the senior management team of the Company consists of individuals employed by the Manager and therefore none of the executive officers are employed by the Company or received any compensation from the Company, other than pursuant to the non-equity incentive plan, during the period covered by the graph above. See “*Executive Compensation*”. As such, the trend shown in the graph above is unrelated to compensation received by the executive officers during the same period.

### **NORMAL COURSE ISSUER BID**

The Company has a normal course issuer bid (the “**NCIB**”) in place to purchase, for cancellation, up to 8,030,909 Common Shares, representing 10 percent of its public float as at March 31, 2021. Under the NCIB, other than purchases made under block purchase exemptions, the maximum number of Common Shares that the Company may acquire on any one trading day is 25,120 Common Shares, such amount representing 25% of the average daily trading volume of the Common Shares for the six calendar months prior to the acceptance of the NCIB by the TSX, being 100,482 Common Shares. The NCIB commenced on April 15, 2021 and is due to expire on April 14, 2022 or such earlier date as the Company may complete its maximum allowable purchase under the bid.

Any purchases made under the NCIB will be made by the Company at then-prevailing market prices through the facilities of the TSX and/or alternative Canadian trading systems or other published markets. The actual number of Common Shares purchased pursuant to the NCIB and the timing of such purchases will be determined by the Company. Although the Company intends to purchase Common Shares under the NCIB, there can be no assurances that any such purchases will be completed. Any Common Shares purchased under the NCIB will be cancelled.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company, including financial information provided in the Company’s comparative annual audited financial statements and MD&A, are available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of the financial statements, MD&A and the notice of intention to make an NCIB may also be obtained on request, at no cost, by calling toll-free 1-866-898-8868, by contacting the Manager at [info@timbercreek.com](mailto:info@timbercreek.com), or through the Manager’s website at [www.timbercreek.com](http://www.timbercreek.com).



**DIRECTORS' APPROVAL**

The contents of this Information Circular and the sending thereof to the Shareholders have been approved by the Board.

DATED at Toronto, Ontario as of March 25, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS**

By: (Signed) "Blair Tamblyn"  
Name: R. Blair Tamblyn  
Title Chair

**EXHIBIT A**  
**MANDATE**  
**OF THE BOARD OF DIRECTORS OF**  
**TIMBERCREEK FINANCIAL CORP.**

**1.0 MANDATE**

1.1 The mandate of the board of directors (the “Board”) of Timbercreek Financial Corp. (the “Company”) is to be responsible for the stewardship of the Company.

1.2 This mandate includes, without limitation, being responsible for the matters set out in Section 3.0 below, fulfilling the duties of directors pursuant to the Business Corporations Act (Ontario) (the “**OBCA**”), establishing the overall policies for the Company, monitoring and evaluating the Company’s strategic direction, and retaining plenary power for those functions not specifically delegated by it to its committees or to the management of the Company, by Timbercreek Capital Inc., or such other manager as may be appointed by the Company from time to time in accordance with the articles of amalgamation (the “**Articles**”) of the Company (“**Management**”).

1.3 Nothing contained in this mandate is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company.

**2.0 STRUCTURE**

2.1 Directors are elected annually by the shareholders of the Company and together with those appointed to fill vacancies or appointed as additional directors throughout the year in accordance with the Articles, collectively constitute the Board of Directors of the Company.

2.2 The composition of the Board, including the qualification of its members, shall comply with the Articles and by-laws (the “**By-laws**”) of the Company, the OBCA as well as other applicable legislation, rules and regulations.

2.3 Except during temporary vacancies, a majority of the directors comprising the Board must be independent directors, as such term is defined under applicable securities laws.

2.4 The determination of whether a director is independent will be made by the Board on an annual basis and in accordance with applicable securities laws and stock exchange rules. In making such a determination, the Board will consider all relevant facts and circumstances, including, without limitation, the director’s commercial, industrial, banking, employment, consulting, legal, accounting, charitable and familial relationships. To facilitate this review, directors may be asked to provide the Board with information regarding their business and other relationships with the Corporation and its affiliates and with senior management and their affiliates. Directors have an ongoing obligation to inform the Board of any material changes in their circumstances or relationships which may affect the Board’s determination as to their independence.

2.5 The Chairman of the Board shall be appointed by resolution of the Board to hold office from the time of his/her appointment until the next annual general meeting of shareholders or until his/her successors is so appointed. The Corporate Secretary shall be the Secretary of the Company.

2.6 The Board may assign to Board committees the prior review of any issues it is responsible for.

2.7 The Board may engage outside advisors at the expense of the Company in order to assist the Board in the performance of its duties and may set and pay the compensation for such advisors.

2.8 The Board has delegated day-to-day authority to Management, but reserves the right to review decisions of Management and to exercise final judgment on any matter. Management in turn keeps the Board fully informed of the progress of the Company towards the achievement of its goals and objectives as set out in the business plan and strategic plans of the Company.

2.9 The directors are not prohibited from serving on the board of other public entities, provided that these commitments do not materially interfere with and are not incompatible with their duties as a member of the Board.

### **3.0 BOARD MEETINGS**

3.1 The Board shall meet at least four times per year and may meet more often if required. Meetings of the Board may be convened at the request of any member of the Board.

3.2 The Board shall meet separately without Management present as it shall determine.

3.3 The Board shall hold in camera independent director meetings following every scheduled Board meeting at which the quarterly financial materials are presented for approval as well as following special Board meetings as deemed necessary.

3.4 The provisions of the Articles and By-laws of the Company that regulate meetings and proceedings shall govern Board meetings.

3.5 The Chairman shall propose and approve an agenda for each Board meeting. Each Board member is free to request the inclusion of other agenda items.

3.6 Information that is important to the Board's understanding of the business to be conducted at a Board or committee meeting will normally be distributed in writing to the directors reasonably before such meeting and directors should review these materials in advance of such meeting. The Board acknowledges that certain items to be discussed at a Board or committee meeting may be of a very time-sensitive nature and that the distribution of materials on such matters before such meeting may not be practicable.

3.7 The Board may invite from time to time such person as it may see fit to attend its meeting and to take part in discussion and consideration of the affairs of the Board.

3.8 The minutes of the Board meetings shall accurately record the significant discussions of and decisions made by the Board and shall be distributed to the Board members, with copies to the Chief Executive Officer of the Company and to the external auditors.

### **4.0 RESPONSIBILITIES**

4.1 As part of its stewardship responsibility, the Board is responsible for the following matters:

- (1) Approving the strategic planning process of the Company.
- (2) Reviewing, evaluating, proposing appropriate changes to, and approving, at least once annually, the business plan and financial goals of the Company as well as longer term strategic plans prepared and elaborated by Management, such strategic plans to take into account, among other things, the opportunities and risk of the Company's business.
- (3) Monitoring, throughout the year, achievement of the objectives and goals set in accordance with the business plan and strategic plans.
- (4) Reviewing and approving all material securities continuous disclosure filings.

- (5) Ensuring that it is properly informed, on a timely basis, of all important issues (including environmental, cash management and business development issues) and developments involving the Company and its business environment.
- (6) Identifying, with Management, the principal risks of the Company's business and ensuring the implementation of appropriate systems to manage these risks as well as monitoring, on a regular basis, the adequacy of such systems.
- (7) To the extent feasible, satisfying itself as to the integrity of the CEO and other senior officers and that the CEO and other senior officers create a culture of integrity throughout the Company.
- (8) Ensuring proper succession planning, including appointing, training and monitoring senior executives.
- (9) Appointing, evaluating, and, if necessary, changing the manager of the Company, subject to shareholder approval (as applicable).
- (10) Adopting a communication and disclosure policy for the Company and monitoring investor relations programs.
- (11) Developing the Company's approach to governance, including adopting and enforcing good corporate governance practices and processes.
- (12) Taking reasonable steps to ensure the integrity of the Company's internal control and management information systems.
- (13) Establishing and maintaining an audit committee of the Board (the "**Audit Committee**") and periodically reviewing the mandate of the Audit Committee.
- (14) Receiving recommendations of the Audit Committee respecting, and reviewing and approving, the audited, interim and other publicly disclosed financial information of the Company.
- (15) Reviewing the Board's mandate annually and recommending and implementing changes as appropriate. The Board shall ensure that processes are in place to annually evaluate the performance of the Board, the Audit Committee and the directors.
- (16) Meeting regularly with Management to receive reports respecting the performance of the Company, new and proposed initiatives, the Company's business and investments, management concerns and any other areas of concern involving the Company.
- (17) Approving all matters of a material nature that are presented to the Board by the Management.
- (18) Directing the Management to ensure the Company operates at all times within applicable laws and regulations.
- (19) Establishing and maintaining a corporate governance and nominating committee of the Board (the "**Corporate Governance and Nominating Committee**") and periodically reviewing the mandate of the Corporate Governance and Nominating Committee.
- (20) Receiving recommendations of the Corporate Governance and Nominating Committee respecting corporate governance matters, effectiveness of the Board, and identification of suitable candidates for membership on the Board.

4.2 It is recognized that every director, in exercising powers and discharging duties, must act honestly and in good faith with a view to the best interests of the Company. Directors must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

4.3 It is expected that each of the directors will have a high record of attendance, whether in person or by such means as permitted by the Articles and the By-laws, at meetings of the Board and at meetings of each committee of which the director sits.

## **5.0 MEASURES FOR RECEIVING SHAREHOLDER FEEDBACK**

5.1 All publicly filed and disclosed materials of the Company shall, to the extent applicable, provide for a mechanism for feedback from shareholders. Persons designated to receive such information shall provide a summary of the feedback to the Board on a regular basis.

## **6.0 ORIENTATION OF NEW DIRECTORS AND CONTINUING EDUCATION**

6.1 The Board will give new directors such information and orientation opportunities as may be deemed by the Board to be necessary or appropriate to ensure that they understand the nature and operation of the Company's business, the role of the Board and its committees and the contribution individual directors are expected to make.

6.2 The Board will give all directors such continuing education opportunities as may be deemed by the Board to be necessary or appropriate so that they may maintain or enhance their skills and abilities as directors, and to ensure that their understanding of the nature and operations of the Company's business remains current.