



**NOTICE OF ANNUAL MEETING**  
**and**  
**MANAGEMENT INFORMATION CIRCULAR**  
**of**  
**Timbercreek Financial Corp.**

**Meeting to be held at 9:30 a.m.**

**On**

**May 7, 2019**

**Dated: March 22, 2019**



## TIMBERCREEK FINANCIAL CORP.

### NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual meeting (the “**Meeting**”) of the shareholders (“**Shareholders**”) of the Timbercreek Financial Corp. (the “**Company**”) will be held at the office of McCarthy Tétrault LLP, Suite 5300, TD Bank Tower, 66 Wellington Street West, Toronto, Ontario, on May 7, 2019 at 9:30 a.m. (Toronto time), for the following purposes:

1. to receive the financial statements of the Company for the financial year ended December 31, 2018 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 management information circular (“**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 22, 2019 (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/astca/tf](http://www.meetingdocuments.com/astca/tf)

Shareholders are reminded to review the 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 [fulfilment@astfinancial.com](mailto:fulfilment@astfinancial.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 9:30 a.m. (Toronto time) on April 17, 2019 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 are requested to complete, date and sign the form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular. If you plan to attend the Meeting and wish to vote in person, please follow the instructions on the voting form to appoint yourself, instead of the management nominees, to vote at the Meeting.

Shareholders who hold their shares with a bank, broker or other financial intermediary are not registered Shareholders. All non-registered Shareholders who receive these materials through a broker or other intermediary should complete and return the materials in accordance with the instructions provided to them by such broker or intermediary. A non-registered Shareholder receiving a voting instruction form or proxy cannot use that form as a proxy to vote such Shareholder's common shares directly at the Meeting; rather, the voting instruction form must be returned in accordance with the instructions provided well in advance of the Meeting in order for such Shareholder's common shares to be voted at the Meeting.

DATED at Toronto, Ontario as of March 22, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) "Blair Tamblyn"*

**R. Blair Tamblyn**  
**Chairman**

**TABLE OF CONTENTS**

**SOLICITATION OF PROXIES ..... 1**

**NOTICE-AND-ACCESS ..... 1**

**RECORD DATE..... 2**

**HOW TO VOTE YOUR SHARES ..... 2**

**QUORUM ..... 4**

**MATTERS REQUIRING SHAREHOLDER APPROVAL ..... 4**

**VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF ..... 8**

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS..... 9**

**CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS ..... 10**

**INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON..... 10**

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS ..... 10**

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS ..... 10**

**MANAGEMENT OF THE COMPANY ..... 11**

**EXECUTIVE COMPENSATION..... 16**

**CORPORATE GOVERNANCE ..... 20**

**ADDITIONAL INFORMATION..... 26**

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



**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 the time and place and for the purposes set forth in the accompanying notice of Meeting (the “Notice of 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 Asset Management 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 22, 2019.

**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, 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/astca/tf](http://www.meetingdocuments.com/astca/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) or a voting instruction form (if a beneficial 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 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 [fulfilment@astfinancial.com](mailto:fulfilment@astfinancial.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 9:30 a.m. (Toronto time) on April 17, 2019 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 22, 2019 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 AST Trust Company (the “**Transfer Agent**”) at 320 Bay Street, 3<sup>rd</sup> Floor, Toronto, Ontario M5H 4A6 no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment of the Meeting.

## HOW TO VOTE YOUR SHARES

Your vote is important. Please read the information below, then vote your Common Shares, either by proxy or in person at the Meeting.

How you vote your Common Shares depends on whether you are a registered shareholder (“**Registered Shareholder**”) or a beneficial shareholder (“**Beneficial Shareholder**”). In either case, there are two ways you can vote at the Meeting — by appointing a proxyholder or by attending in person, although the specifics may differ slightly.

*Registered Shareholders:* You are a Registered Shareholder if your name is recorded in the Company’s shareholder register and you hold one or more share certificates which indicate your name and the number of Common Shares which you own. As a Registered Shareholder, you will receive a form of proxy from the Transfer Agent representing the Common Shares you hold. **Each Registered Shareholder has the right to appoint a person or company (who need not be a Shareholder) to attend and act for him or her or it at the Meeting other than the persons designated in the form of proxy.** If you are a Registered Shareholder, please refer to “*How to Vote — Registered Shareholders*”.

*Beneficial Shareholders:* You are a Beneficial Shareholder if a securities dealer, broker, bank, trust corporation or other nominee holds your Common Shares for you, or for someone else on your behalf. As a Beneficial Shareholder, you will most likely have received a Voting Instruction Form from either the Transfer Agent or Broadridge Financial Solutions, Inc. (“**Broadridge**”), although in some cases you may have received a form of proxy from the securities dealer, broker, bank, trust corporation or other nominee holding your shares. If you are a Beneficial Shareholder, please refer to “*How to Vote — Beneficial Shareholders*”.

### **How to Vote – Registered Shareholders**

If you are a Registered Shareholder, you may either vote by proxy or in person at the Meeting.

#### *Appointment of Proxies*

If you choose to vote by proxy, you are giving the person or the persons named on your form of proxy (referred to as a “**proxyholder**”) the authority to vote your Common Shares on your behalf at the Meeting (including any adjournments or postponements). You may indicate on the form of the proxy how you want your proxyholder to vote your Common Shares, or you can let your proxyholder make that decision for you. If you do not specify on the form of proxy how you want your Common Shares to be voted, your proxyholder will have the discretion to vote your Common Shares as such proxyholder sees fit.

The persons named in the form of proxy are officers and/or directors of the Company. **A Registered Shareholder desiring to appoint some other person, who need not be a Shareholder, to represent him, her or it at the Meeting, may do so by inserting such person’s name in the blank space provided in the form of proxy or by completing another proper form of proxy and, in either case, depositing the completed and executed proxy at the office of the Transfer Agent no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment of the Meeting.**



**The persons named in the form of proxy will vote 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:**

- (i) **FOR the election of the directors referred to in this Information Circular; and**
- (ii) **FOR the appointment of KPMG LLP as the Company's auditors to hold office until the next annual meeting of the Company with its 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 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.

#### *Submitting Votes by Proxy*

**A Proxy will not be valid unless it is deposited at the offices of the Transfer Agent no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting, being 9:30 a.m. on May 3, 2019 or any adjournment of the Meeting.**

**Late proxies may be accepted or rejected by the Chairman of the Meeting in his or her discretion, however, the Chairman is under no obligation to accept or reject any particular late proxy. The Chairman of the Meeting may waive this time limit for receipt of proxies without notice.**

#### *Revocation of Proxy*

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: Secretary) at any time up to and including the last business day preceding the day of the Meeting or with the Chairman of the Meeting on the day of the Meeting or in any other manner permitted by law.

Only Registered Shareholders may revoke a proxy. Beneficial Shareholders will need to contact their financial intermediary and follow their instructions to revoke their proxy. You may also submit a later dated proxy to revoke any prior proxy.

#### *Voting in Person*

If you are a Registered Shareholder and wish to attend and vote in person, you do not need to complete or return your form of proxy. If you vote in person 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. Please ensure that you register with the scrutineer at the Meeting to ensure your vote is included.

#### **How to Vote – Beneficial Shareholders**

The Company has distributed copies of the Notice Package to intermediaries for distribution to Beneficial Shareholders. Intermediaries are required to deliver these materials to all Beneficial Shareholders of the Company who have not waived their rights to receive these materials and to seek instructions from Beneficial Shareholders as to how to vote the Common Shares. Often, intermediaries will use a service corporation (such as Broadridge) to forward materials to securityholders.

Beneficial Shareholders who receive the Notice Package will typically be given the ability to provide voting instructions in one of two ways:

- (a) Usually, a Beneficial Shareholder will be given a Voting Instruction Form which must be completed and signed by the Beneficial Shareholder in accordance with the instructions provided by the intermediary. In this case, the mechanisms described above for Registered Shareholders cannot be used and the instructions provided by the intermediary must be followed.
- (b) Occasionally, however, a Beneficial Shareholder may be given a proxy that has already been signed by the intermediary. This form of proxy is restricted to the number of Common Shares owned by the Beneficial Shareholder but is otherwise not completed. This form of proxy does not need to be signed by the Beneficial Shareholder but must be completed by the Beneficial Shareholder and returned to the Transfer Agent in the manner described above for Registered Shareholders. A proxy will not be valid unless it is deposited at the offices of the Transfer Agent no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting, being 9:30 a.m. on May 3, 2019 or any adjournment of the Meeting. Shareholders that wish to attend and vote at the Meeting using this form of proxy should follow the instructions noted below for appointing a representative at the Meeting.

The purpose of these procedures is to allow Beneficial Shareholders to direct the proxy voting of the Common Shares that they own but that are not registered in their name. Should a Beneficial Shareholder who receives either a form of proxy or a Voting Instruction Form wish to attend and vote at the Meeting in person (or have another person attend and vote on their behalf), the Beneficial Shareholder should strike out the names noted in the form of proxy as the proxyholder and insert the Beneficial Shareholder's (or such other person's) name in the blank space provided or, in the case of a Voting Instruction Form, follow the corresponding instructions provided by the intermediary. **In either case, Beneficial Shareholders who receive materials from their intermediary should carefully follow the instructions provided by the intermediary.**

To exercise the right to revoke a proxy (or a Voting Instruction Form, as applicable), a Beneficial Shareholder who has completed a Proxy (or a Voting Instruction Form, as applicable) should carefully follow the instructions provided by the intermediary.

### **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 in person or represented by proxy shall form the quorum whatever the number of Common Shares represented.

### **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. The Company currently has eight (8) directors. 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 increase the number of directors at any time between annual meetings of shareholders and appoint one or more additional directors, 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 Board has determined that the number of directors to be elected at the Meeting shall be eight (8).

The Company intends to nominate each of the current directors of the Company (the “**Nominees**”) for election as director, and the Shareholders will be asked to vote on an ordinary resolution to elect the Nominees as directors at

the Meeting. Each Nominee elected as a director will hold office until the close of the next annual meeting of the Shareholders or until his 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 the date of this Information Circular. The number of Common Shares owned, controlled or directed includes Common Shares beneficially owned, directly or indirectly (other than stock options), or over which control or direction is exercised by the proposed Nominee, as of March 1, 2019.

<b>Name and Province of Principal Residence</b>	<b>Position with the Company</b>	<b>Principal Occupation</b>	<b>Number of Common Shares Owned, Controlled or Directed</b>
Zelick L. Altman <i>Ontario, Canada</i>	Independent Director (appointed June 30, 2016; previously director of TMIC since April 30, 2008)	Corporate Director	35,128
Steven R. Scott <sup>(1)(3)</sup> <i>Ontario, Canada</i>	Independent Director (appointed June 30, 2016; previously director of TSMIC since December 1, 2011)	Chairman and CEO of StorageVault Canada Inc.	43,746
W. Glenn Shyba <sup>(1)(2)</sup> <i>Ontario, Canada</i>	Lead Independent Director (appointed June 30, 2016; previously director of TMIC since April 30, 2008)	Principal, Origin Merchant Partners	12,667
Pamela Spackman <i>Ontario, Canada</i>	Independent Director (appointed January 1, 2019)	Corporate Director	5,700
Derek J. Watchorn <sup>(1)(4)</sup> <i>Ontario, Canada</i>	Independent Director (appointed June 30, 2016; previously director of TMIC since November 25, 2010)	Consultant	45,941
Ugo Bizzarri <i>Ontario, Canada</i>	Non-Independent Director (appointed June 30, 2016; previously director of TMIC and TSMIC since September 12, 2013)	Director and Senior Managing Director, Chief Investment Officer & Global Head of Direct and Debt Investments of the Manager	45,847
Cameron Goodnough <i>Ontario, Canada</i>	Non-independent Director (appointed November 7, 2018)	President & CEO of the Company	3,329

<b>Name and Province of Principal Residence</b>	<b>Position with the Company</b>	<b>Principal Occupation</b>	<b>Number of Common Shares Owned, Controlled or Directed</b>
R. Blair Tamblyn <sup>(2)</sup> Ontario, Canada	Non-independent Director (Chairman) (appointed June 30, 2016; previously director and Chairman of TMIC since April 30, 2008 and of TSMIC since December 1, 2011)	Director, CEO and Senior Managing Director of the Manager	38,285

Notes:

- (1) Member of the Audit Committee of the Board.
- (2) Member of the Corporate Governance and Nominating Committee of the Board.
- (3) Chairman of the Audit Committee of the Board.
- (4) Chairman of the Corporate Governance and Nominating Committee of the Board.

The following are biographies of the directors of the Company:

**Zelick L. Altman** – Until the end of 2017, Mr. Altman served as Executive Chairman of LaSalle Investment Management (Canada), a real estate investment management company, (“LaSalle”) and President of the LaSalle Canadian Income & Growth Funds. Mr. Altman currently acts as a corporate director and has over 40 years of real estate experience in institutional, public and private sectors of the industry. Prior to joining LaSalle, Mr. Altman served for a brief period in 2000 as a Mortgage Broker at Canada ICI Commercial Mortgages Inc. and as Senior Vice President with Dundee Realty Corp. (1997 to 2000). Mr. Altman also held the position of Senior Vice President at Canadian Real Estate Investment Trust (1996 to 1997) and Vice President of Counsel Property Corporation (1984 to 1988). From 1988 to 1992 Mr. Altman owned and operated Accura Properties Limited. Mr. Altman is a graduate of the Faculty of Applied Sciences at the University of Toronto and is registered as a Professional Engineer.

**Steven R. Scott** – Mr. Scott is the Chairman and Chief Executive Officer of StorageVault Canada Inc. (TSXV: SVI) and an owner and Chief Executive Officer of The Access Group of Companies with over 20 years of experience in the ownership, acquisition, development and management of self storage, residential and commercial real estate in Canada. Mr. Scott serves as an independent director and Audit Committee Chair of the Company and Park Lawn Corporation (TSXV: PLC). Mr. Scott also serves as Director and Treasurer of the Canadian Self Storage Association (CSSA). Mr. Scott holds a Bachelor of Commerce Degree and the CPA and CA designations.

**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.

**Pamela Spackman** – Ms. Spackman, a corporate director, currently serves as a member of the Board of Trustees and a member of the Investment Committee of WPT Industrial REIT. As well, she serves on the Board of Trustees, is Chair of the Corporate Governance, Compensation and Nominating Committee, and is a member of the Audit Committee for Slate Office REIT. She serves as a member of the Independent Investment Committee of Bentall Kennedy High Yield Canadian Property Fund (a fund investing in high yield mortgage debt and real estate equity in

Canada), and serves on the Valuation Committee of Crestpoint Real Estate Advisors. Ms. Spackman previously served as Chair of the Timbercreek Mortgage Advisory Committee from July 2008 until June of 2016, and on the Board of Gazit America Inc. from July 2009 until August 2012 (the date of its privatization). She also served as President and CEO of Column Canada Financial Corporation, a wholly-owned subsidiary of Credit Suisse Group AG from July 2000 to July 2008 and prior to that, Ms. Spackman was Vice-President, Mortgage Investments at the Ministry of Finance, Province of British Columbia and an Investment Manager for the 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.

**Derek J. Watchorn** – For the past nine years, Mr. Watchorn has been acting as a consultant on several projects, notably as a member of the Management Committee involved with the redevelopment of the Buttonville Airport land and as a member of the Advisory Committee of Graywood Developments Limited, a Toronto-based real estate development company. Mr. Watchorn, a lawyer by trade, has extensive experience in the real estate industry through a variety of senior management and director positions he has held with both public and private organizations in Ontario and abroad. Mr. Watchorn was the President and Chief Executive Officer of Revera Inc. (formerly Retirement Residences REIT) from October 2004 until June 2009. Prior to that, he served in London, England as Executive Vice President of Canary Wharf plc from January 2003 until June 2004 and as Executive Director of TrizecHahn plc from January 1999 until June 2001. Mr. Watchorn was a senior partner of the law firm Davies Ward Phillips & Vineberg LLP (“Davies Ward”), which he joined as a solicitor in 1968 and became partner of in 1970. During the period from 1987 to 2004 (excluding his tenure with TrizecHahn), Mr. Watchorn was a senior advisor to the Paul Reichmann family in Toronto and, in that capacity, during a three year period from 1987 until 1990, served on a seconded basis from Davies Ward as Executive Director of Olympia & York Canary Wharf plc. Mr. Watchorn is currently a director of Data Communications Management Corp. (TSX: DCM) and was previously a director of Patheon Inc. (TSX: PTI).

**Ugo Bizzarri** – Mr. Bizzarri co-founded Timbercreek Asset Management in 1999 and is Senior Managing Director, Chief Investment Officer & Global Head of Direct and Debt Investments of the Manager. Mr. Bizzarri is also a director of the Company. In his role as Senior Managing Director/CIO, Global Head of Direct and Debt Investments, Mr. Bizzarri leads the team responsible for the acquisition & disposition of direct real estate and the underwriting & funding of commercial mortgage investments secured by direct real estate. Mr. Bizzarri and his team have been responsible for underwriting, financing and acquiring over \$4 billion of multi-residential real estate and have constructed and managed a diversified debt portfolio of over \$1 billion in Timbercreek-sponsored commercial mortgage investments. Mr. Bizzarri has over 20 years of experience in the valuation, acquisition and disposition of investment-grade cash-flowing real estate. Prior to founding Timbercreek, Mr. Bizzarri was in portfolio management at Ontario Teachers’ Pension Plan Board (“OTPPB”) where he played a leadership role in the strategic planning, corporate transactions/restructuring and property acquisitions for the real estate group. Mr. Bizzarri is an independent director of Cymbria Corporation. Mr. Bizzarri is a graduate of the Richard Ivey School of Business and is a Chartered Financial Analyst.

**Cameron Goodnough** – Mr. Goodnough joined Timbercreek in November 2016 as Managing Director, Corporate Development of the Manager. Mr. Goodnough is also President and Chief Executive Officer and a member of the Board of the Company. In his role as Managing Director, Corporate Development, Mr. Goodnough is a senior member of the team responsible for evaluating and executing on strategies to build and grow Timbercreek. Mr. Goodnough is also responsible for the review and structuring of capital and acquisition mandates that align with Timbercreek’s overall business goals. Mr. Goodnough has over 20 years of experience, including 18 in investment banking. Most recently, Mr. Goodnough was Managing Director with the Financial Institutions Group at TD Securities. Prior to joining TD Securities, Mr. Goodnough worked at RBC Capital Markets, CIBC Wood Gundy and Merrill Lynch Canada. Mr. Goodnough holds two undergraduate degrees (Commerce and International Relations) from the University of Windsor and a combined Masters of Business and Bachelor of Laws from Schulich and Osgoode Hall. Mr. Goodnough is also registered as a mortgage agent in Ontario.

**R. Blair Tamblyn** – Mr. Tamblyn co-founded Timbercreek Asset Management in 1999 and is Senior Managing Director & Chief Executive Officer of the Manager. Mr. Tamblyn is also Chairman of the Board for the Company. In his role as Senior Managing Director & CEO, Mr. Tamblyn is responsible for identifying strategic initiatives, managing global capital markets activities and general oversight of the Manager’s corporate operations. Mr. Tamblyn is also a member of the Manager’s Investment Committee. Mr. Tamblyn has over 20 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 that currently manage \$7.5 billion in assets. Prior to co-founding Timbercreek, Mr. Tamblyn worked at Connor, Clark & Company as a licensed securities trader. Mr. Tamblyn is an independent director of GreenSpace Brands Inc. and of StorageVault Canada Inc. 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.

### Appointment of Auditors

The Company proposes that KPMG LLP, Chartered Accountants of Vancouver, British Columbia, be appointed as auditors of the Company for the year ending December 31, 2019 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 in which the Company was formed through the amalgamation (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, 2018, for the services noted:

<b>Category</b>	<b>Year Ended December 31, 2018</b>
Audit fees <sup>(1)</sup> .....	\$179,767
Audit-related fees <sup>(2)</sup> .....	\$134,781
Tax fees <sup>(3)</sup> .....	\$46,709
All other fees <sup>(4)</sup> .....	\$301,151
<b>Total</b>	<b>\$662,408</b>

Notes:

- (1) Refers to the aggregate fees billed by KPMG LLP for annual audit services relating to the audit of the Company.
- (2) Refers to the aggregate fees billed for assurance, interim audit services and 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.
- (4) Refers to the aggregate fees billed for professional services rendered by KPMG LLP for the Shelf Prospectus and ATM Program.

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.

**The Board recommends that Shareholders vote in favour of the resolution appointing 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 82,063,859 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 2/3% of the votes cast by the holders of the Common Shares at a meeting called and held for the consideration of such matter:

- i. 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 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;
- ii. any increase in the basis of calculating management fees paid to the Manager or the rate per annum of the management fee;
- iii. a reorganization with, or transfer of assets to, another entity, if:
  - (1) the Company ceases to continue after the reorganization or transfer of assets; and
  - (2) the transaction results in holders of Common Shares becoming securityholders in the other entity; and
- iv. a reorganization with, or acquisition of assets to, another entity, if:
  - (1) the Company continues after the reorganization or acquisition of assets; and
  - (2) 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 and the Manager, together with the Manager, as a group, collectively own, directly or indirectly, or exercise control or direction over an aggregate of 1,551,008 Common Shares, representing approximately 2% of the outstanding Common Shares.

### **Record Date**

The Record Date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed at March 22, 2019. In accordance with the provisions of the *Business Corporations Act* (Ontario), the Company will prepare a list of registered holders of Common Shares as of the Record Date. Each holder of Common Shares named in the list will be entitled to vote the Common Shares shown opposite his or her name on the list at the Meeting. All such holders of record of Common Shares are entitled either to attend the Meeting and vote thereat in person the Common Shares held by them in accordance with the voting rights described herein or, provided a completed and executed proxy shall have been delivered to the Transfer Agent within the time specified in the Notice of Meeting, to attend and vote thereat by proxy the Common Shares held by them in accordance with the voting rights described herein. Please see “*How to Vote*” for more details.

### **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 or the appointment of auditors.

### **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, 2018, 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 Messrs. Tamblyn, Bizzarri, Jones, Hawkings and Goodnough and Ms. Morris 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 "*Manager of the Company – Management Agreement*".

## **MANAGEMENT OF THE COMPANY**

### **The Manager and TIMI**

The office of the Manager and Timbercreek Investment Management Inc. ("**TIMI**") are located at 25 Price Street, Toronto, Ontario M4W 1Z1. Pursuant to the terms of the management agreement (the "**Management Agreement**") dated as of June 30, 2016 between the Company and the Manager, the Manager acts as the manager of the Company and provides or arranges for the provision of all administrative services required by the Company. Pursuant to a mortgage services agreement dated September 13, 2013 and amended June 30, 2016 (the "**Mortgage Services Agreement**") between the Manager and TIMI, and a mortgage participation and services agreement from March of 2015 between Timbercreek Mortgage Servicing Inc. ("**TMSI**") and the Manager (the "**Mortgage Participation Agreement**"), TIMI provides or arranges for the provision of certain services which are required by law to be provided by a licensed mortgage broker (the "**Licensed Services**") to the Company. TMSI is a licensed mortgage brokerage firm in British Columbia, Alberta and Ontario. TIMI is registered as an Investment Fund Manager, Portfolio Manager and Exempt Market Dealer with the Ontario Securities Commission.

### **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 the Licensed 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 Company's board of directors 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.

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

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.

The term of the Management Agreement is for a period of 10 years commencing on June 30, 2016, and will be automatically renewed for successive 5-year terms thereafter, unless:

1. terminated by the Company upon approval of a 2/3 majority of the votes cast by the independent directors of the Company:
  - (a) at the conclusion of the initial term or any renewal term, upon 12 months' prior written notice to the Manager;
  - (b) 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 realised or upon the liquidation and dissolution of the Company;
  - (c) 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; and
  - (d) 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;
  
2. terminated by the Manager:
  - (a) 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
  - (b) at any time after the initial term, provided at least 12 months' notice is given to the Company.

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 Management Agreement provides for certain non-competition restrictions in respect of its 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**

The Mortgage Services Agreement, as amended, provides for:

- (i) TIMI to provide, or arrange for the provision of, the Licensed Services to the Company, including without limitation, presenting to the Company through an internal investment approval committee (the “**Investment Committee**”) any available loan that meets the investment guidelines of the Company (the “**Investment Guidelines**”), and overseeing the servicing of the mortgages in the investments of the Company and the enforcement of all loans;
- (ii) the Investment Committee, or the private debt sub-committee, as applicable, to approve all mortgage investments by the Company;
- (iii) TIMI to remit to the Company all revenue generated from the mortgage loan origination and placement activities directly or indirectly carried on by TIMI in respect of first mortgage loans funded by the Company other than any servicing fee earned in respect of the syndication of senior tranches; and
- (iv) TIMI to conduct its activities in accordance with the Investment Guidelines to manage the risk profile of the Company’s portfolio of investments.

Further, pursuant to the Mortgage Services Agreement, TIMI, through its qualified subsidiaries, actively oversees the servicing of all mortgages in the portfolio in order to monitor the status of all loans and respond to any potential issues that may arise. TIMI provides day-to-day administration of individual mortgages in the portfolio either directly or in instances where the Company is a participant in a syndicated mortgage, other direct participants in the investment may act as the mortgage servicing agents (“**Servicing Agents**”). TIMI ensures that the Servicing Agents appointed to administer an individual mortgage are licensed in accordance with the requirements of the *Mortgage Brokers Act* (Ontario) or other applicable legislation. The Servicing Agents’ duties are the day-to-day administration of individual mortgages and include, among other things, responsibilities such as the collection of monthly payments, management of property tax and other escrow accounts, regular remittance to the Company of interest and other income collected, monitoring the status of loans, and regular reporting to TIMI as required by the applicable servicing agreement.

### **Informed Persons of the Manager and TIMI**

R. Blair Tamblyn and Ugo Bizzarri, each of whom is a resident of Ontario, directly or indirectly owns at least 10% of the Manager and is therefore an “Informed Person” as defined in NI 51-102. In addition, R. Blair Tamblyn, Ugo Bizzarri Cameron Goodnough, Peter Hawkings, Carrie Morris and Gigi Wong, each of whom is a resident of Ontario, is a director or officer of the Manager and/or TIMI and is therefore an “Informed Person”. Since the start of the Company’s most recently completed financial year, none of the above mentioned persons, nor any of their associates or affiliates, had any indebtedness to the Company nor have they conducted any transactions with the Company other than as disclosed above with respect to the Management Agreement.

## Amount paid and payable to the Manager

From January 1, 2018 to March 1, 2019, the aggregate management fees paid to the Manager were \$13,976,944. Servicing fees paid to the Manager for the period January 1, 2018 to March 1, 2019 amounted to \$718,346.

## Investment Committee

All mortgage investments made by the Company are first approved by the Investment Committee. The Investment Committee is an internal committee of the Company and its members may, but need not, be independent. The members of the Investment Committee are R. Blair Tamblyn, Ugo Bizzarri, Corrado Russo and Bradley Trotter. The Manager has further appointed a private debt sub-committee to review loan investments of less than \$30 million. The members of the private debt sub-committee are Ugo Bizzarri, Bradley Trotter, Julie Neault and Scott Rowland.

Each mortgage loan is subject to a detailed review process by the Investment Committee, or the private debt sub-committee, as applicable. Mortgage loans that are determined to be satisfactory by TIMI's management upon completion of its due diligence will be presented to the Investment Committee, or the private debt sub-committee, as applicable, together with a comprehensive due diligence report. The Investment Committee, or the private debt sub-committee, as applicable, will consider each investment opportunity presented to it by TIMI's management 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, or the private debt sub-committee, as applicable, 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, or the private debt sub-committee, as applicable, will make a recommendation to the Manager and the Company. Only with a positive recommendation from the Investment Committee, or the private debt sub-committee, as applicable, 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, or the private debt sub-committee, as applicable, 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 and the private debt sub-committee:

R. Blair Tamblyn <i>Ontario, Canada</i>	Member of the Investment Committee	Director, CEO and Senior Managing Director of the Manager
Ugo Bizzarri <i>Ontario, Canada</i>	Member of the Investment Committee and the private debt sub-committee	Director and Senior Managing Director, Chief Investment Officer & Global Head of Direct and Debt Investments of the Manager

Bradley Trotter <i>Connecticut, U.S.A.</i>	Member of the Investment Committee and the private debt sub-committee	Managing Director, Global Head of Debt of the Manager
Corrado Russo <i>Ontario, Canada</i>	Member of the Investment Committee	Senior Managing Director, Investments & Global Head of Securities of the Manager
Julie Neault <i>Ontario, Canada</i>	Member of the private debt sub-committee	Managing Director, Global Credit
Scott Rowland <i>Ontario, Canada</i>	Member of the private debt sub-committee	Managing Director, Global Debt Investments

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

*Corrado Russo* – Mr. Russo is a member of the Investment Committee. Corrado Russo joined Timbercreek in July 2011 and is Senior Managing Director, Investments & Global Head of Securities. Mr. Russo is responsible for managing the global securities platform including the Timbercreek Global Real Estate Fund (TSX:TGF.UN), the Timbercreek Global Real Estate Income Fund and the Timbercreek Four Quadrant Global Real Estate Partnership. Mr. Russo has over 20 years of experience in the investment management field, having held positions in portfolio management, equity research and direct real estate investments. Prior to joining Timbercreek, Mr. Russo was an Executive Director and Portfolio Manager of global real estate securities at Forum Securities, a Portfolio Manager of global real estate securities for Citi Property Investors and an Assistant Portfolio Manager of direct real estate for Ontario Teacher’s Pension Plan Board. Mr. Russo holds a Masters of Business Administration from the Schulich School of Business and is a Chartered Financial Analyst.

*Bradley Trotter* – Mr. Trotter is a member of the Investment Committee and the private-debt sub-committee. Mr. Trotter joined Timbercreek in November 2016 and is responsible for the leadership of the Manager’s global debt platform and its expansion beyond Canada; specifically within the U.S. and European markets. Mr. Trotter is based in the New York office. Mr. Trotter has over 25 years of global financial services and commercial real estate experience. Most recently, Mr. Trotter was President of North America at GE Capital Real Estate. Mr. Trotter began his career at GE where he developed extensive leadership, transactional, operational and financial acumen through numerous assignments of increasing responsibility including European CFO and Managing Director of Canada. Mr. Trotter holds a Bachelors of Commerce from the School of Business at Queen’s University and a Masters of Business Administration from the Kellogg School of Management at Northwestern University.

*Julie Neault* – Ms. Neault joined Timbercreek in January 2012 as Director, Debt Origination, National Accounts and was subsequently responsible, in her role as Executive Director, for leading Timbercreek’s Canadian debt origination team, driving strong debt investment deal flow and developing new programs and products to meet market opportunities and investor returns. In her current role as Managing Director, Global Credit, she is responsible for 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. Ms. Neault has over 20 years of experience in the commercial mortgage lending industry and has originated ~\$4B over her career. Prior to joining Timbercreek, Ms. Neault was Vice President, Origination at Harbour Mortgage Corporation. Prior to that, Ms. Neault worked with MCAP in various roles including asset management and origination. Ms. Neault began her career at CIBC Mortgages Inc. and held roles in both servicing and origination. Ms. Neault is bilingual in French and English and holds a Bachelor of Arts from University of Toronto. Ms. Neault is a Licensed Mortgage Broker #M08003816.

*Scott Rowland* – Mr. Rowland is responsible for the performance of Timbercreek’s debt portfolios including syndication strategies and execution, asset management, closing and servicing. Mr. Rowland has over 20 years of industry experience and prior to joining Timbercreek was Co-Head and Fund Manager of Debt Strategies for Fiera Properties. Before joining Fiera Properties, Mr. Rowland was the Managing Director for Blackstone in Canada where he led the real estate lending group. This followed an extensive 19-year career at General Electric with various roles including the Managing Director of GE Capital 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.

## **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. 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 therefore responsible for compensation matters, specifically in the form of remuneration of the Manager.

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, 2018, the Company had 5 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, 2018.

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 (\$)		
Cameron Goodnough <sup>(4)</sup> <i>President &amp; CEO</i>	2018	187,500	Nil	Nil	140,625	Nil	Nil	328,125
	2017	150,000	Nil	Nil	131,250	Nil	Nil	281,250
Gigi Wong <sup>(5)</sup> <i>CFO</i>	2018	70,000	Nil	Nil	50,000	Nil	Nil	120,000
	2017	65,000	Nil	Nil	45,000	Nil	Nil	110,000
Ugo Bizzarri <i>Senior Managing Director of the Manager</i>	2018	129,600	Nil	Nil	20,160	Nil	Nil	149,760
	2017	135,000	Nil	Nil	21,000	Nil	Nil	156,000
	2016 <sup>(6)</sup>	120,000	Nil	Nil	30,000	Nil	Nil	150,000
Paul Jones <i>Managing Director of the Manager</i>	2018	282,000	Nil	Nil	211,500	Nil	Nil	493,500
	2017	282,000	Nil	Nil	187,500	Nil	Nil	469,500
	2016 <sup>(6)</sup>	282,000	Nil	Nil	206,250	Nil	Nil	488,250
Bradley Trotter <sup>(7)</sup> <i>Managing Director of the Manager</i>	2018	162,500	Nil	Nil	121,875	Nil	Nil	284,375
	2017	162,500	Nil	Nil	98,718	Nil	Nil	261,218
	2016	27,083	Nil	Nil	20,312	Nil	Nil	47,395

Notes:

- (1) Represents the portion of salary paid by the Manager attributable to time spent on the activities of the Company, TMIC or TSMIC, as applicable.
- (2) Represents the portion of annual bonus paid by the Manager attributable to time spent on the activities of the Company, TMIC or TSMIC, as applicable.
- (3) None of the NEOs receives any compensation for acting as member of the Board. See “*Directors Compensation*” below.
- (4) Cameron Goodnough was appointed President of the Company on March 15, 2017 and was appointed CEO of the Company on January 1, 2018.
- (5) Ms. Wong was appointed CFO of the Company on November 14, 2017.
- (6) Represents the figures of TMIC and TSMIC (from January 1, 2016 to the Amalgamation Date) and the Company (after the Amalgamation Date) for the year ended December 31, 2016.
- (7) Mr. Trotter joined Timbercreek in November, 2016.

### 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. 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 does not engage compensation consultants or advisors for the purposes of performing benchmarking or apply specific criteria for the selection of 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 the Company or 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 share price performance, 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 approved an amendment to its board compensation policy, effective as of July 1, 2018. The 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 deferred share units of the Company ("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 no longer provides for the payment of additional per meeting fees.

The compensation structure continues to reflect a focus on increasing the alignment of 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 20,981.09 DSUs were granted during the financial year ended December 31, 2018, 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 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 shall be 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 for the financial year ended December 31, 2018.

Name of Director <sup>(1)</sup>	Fees and retainer earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	All Other Compensation (\$)	Total Compensation (\$)	% of cash fees and retainer deferred into DSUs (and # of DSUs)
Zelick L. Altman	46,576	Nil	Nil	Nil	46,576	100% (4,585 DSUs)
Steven R. Scott	61,724	Nil	Nil	Nil	61,724	100% (6,153 DSUs)
W. Glenn Shyba	67,655	Nil	Nil	Nil	67,655	100% (6,648 DSUs)
Derek J. Watchorn	64,203	Nil	Nil	Nil	64,203	100% (6,462 DSUs)

Notes:

- (1) 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.

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

Pursuant to a deferred share unit plan (a “**DSU Plan**”) adopted by the Board, 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.

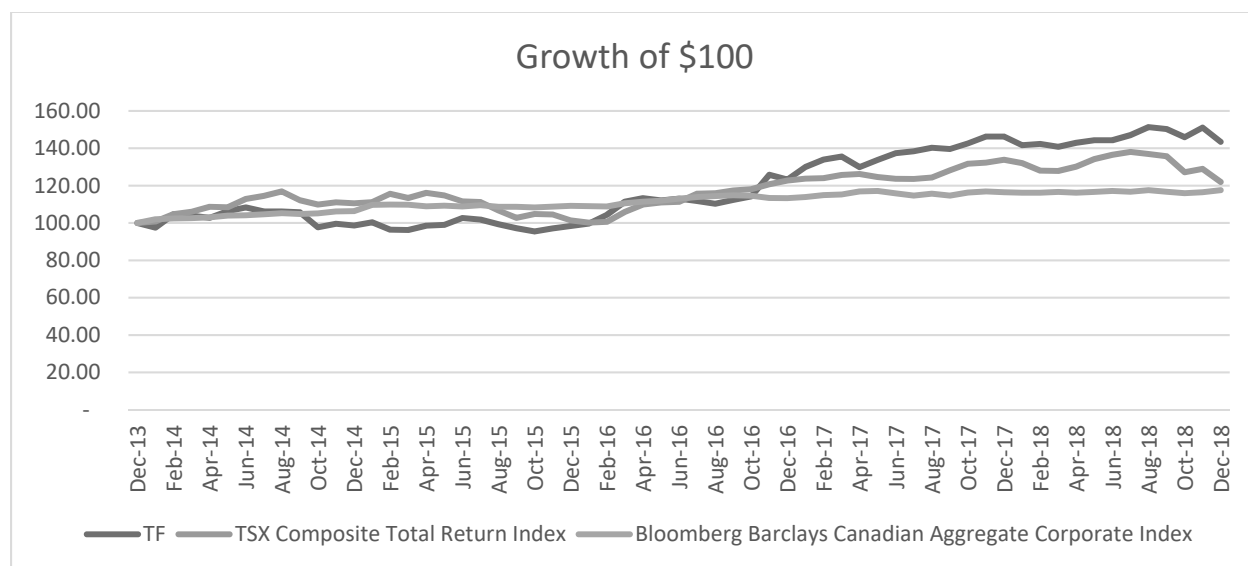
The independent directors currently hold an aggregate of 51,887.33 DSUs pursuant to the DSU Plan.

#### *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).

### Performance Graph

The following graph compares the Company’s cumulative total shareholder return since January 1, 2014, based on an investment of \$100 at the start of that period and assuming dividends were reinvested. During the period, the total cumulative shareholder return for \$100 invested in Common Shares was \$43.42 or 43.42%, as compared to \$17.58 or 17.58% for the Bloomberg Barclays Canadian Aggregate Corporate Index and \$21.99 or 21.99% for the TSX Composite Total Return Index.



As discussed above under “*Executive Compensation – Compensation Discussion and Analysis*”, the senior 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.

### 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.

## 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 Messrs. Steven R. Scott (Chairman), W. Glenn Shyba and Derek J. Watchorn. 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 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*

Effective June 14, 2017, the Corporate Governance Committee of the Board was reconstituted as the Corporate Governance and Nominating Committee, and the mandate of the committee was amended to include responsibility for selection of director nominees as described below under "Nomination of Directors".

The Corporate Governance and Nominating Committee is currently comprised of Messrs. W. Glenn Shyba, R. Blair Tambllyn and Derek J. Watchorn (Chairman). 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 comprised of eight (8) directors. The Board is of the view that its current size 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**

R. Blair Tamblyn is a director of StorageVault Canada Inc. and GreenSpace Brands Inc. and Ugo Bizzarri is a director of Cymbria Corporation. Derek J. Watchorn is a director of Data Communications Management Corp. and Steven R. Scott is a director of Park Lawn Corporation. Pamela Spackman is a director of Slate Office REIT and WPT Industrial Real Estate Investment Trust.

## **Director Independence**

Of the current members of the Board, five are independent pursuant to the definition thereof in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), being Zelick L. Altman, Steven R. Scott, W. Glenn Shyba, Pamela Spackman and Derek J. Watchorn. 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, Ugo Bizzarri, and Cameron Goodnough are not independent by virtue of their current or former position, as applicable, as, respectively, Chief Executive Officer of the Manager; Senior Managing Director, Portfolio Management and Investments of the Manager; and President and Chief Executive Officer of the Company as well as their ownership of securities of the Manager. Until his resignation effective as of November 6, 2018, the Board had determined that Andrew Jones was not independent by virtue of his current or former position, as applicable, as former Chief Executive Officer of the Company and Managing Director, Debt Investments of the Manager as well as his ownership of 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 2018, the Board met without management and non-independent directors on 4 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. Bizzarri, Mr. Goodnough, Ms. Wong, Ms. Morris and Mr. Hawkings are directors and/or officers of the Company and are 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. Bizzarri, Mr. Goodnough, Ms. Wong, Ms. Morris and Mr. Hawkings 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**

While the Board has not adopted written position descriptions for the Chair of the Board, the Audit Committee chair, the Corporate Governance and Nominating Committee chair or the Chief Executive Officer of the Company, the roles of each are understood. 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 Chair 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 current Board members in the year ended 2018.

<u>Name of Board Member</u>	<u>Board Meeting</u>	<u>Audit Committee Meeting</u>	<u>Corporate Governance and Nominating Committee Meeting<sup>(1)</sup></u>
Zelick L. Altman	8 of 8	N/A	N/A
Steven R. Scott	8 of 8	4 of 4	N/A
W. Glenn Shyba	8 of 8	4 of 4	2 of 2
R. Blair Tamblyn	8 of 8	N/A	2 of 2

Derek J. Watchorn	8 of 8	4 of 4	2 of 2
Ugo Bizzarri	8 of 8	N/A	N/A
Andrew Jones <sup>(2)</sup>	7 of 7	N/A	N/A
Cameron Goodnough <sup>(3)</sup>	1 of 1	N/A	N/A

Notes:

- (1) Effective June 14, 2017, the Corporate Governance Committee was reconstituted as the Corporate Governance and Nominating Committee. See above under “Corporate Governance and Nominating Committee”.
- (2) Mr. Jones resigned from the Board effective as of November 6, 2018, and therefore did not attend the Board meeting following his resignation.
- (3) Mr. Goodnough was appointed to the Board on November 7, 2018, and attended the only Board meeting held after his appointment.

### **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. 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. 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.

Effective March 5, 2018, the Board approved an amendment to the Company's diversity policy in order to establish a target of (i) having at least one female director on the Board by January 1, 2019 and (ii) having at least 25% of the executive officer positions held by women.

Two of the executive officers of the Company or 50% of the executive officers, are female. There is currently one female director 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.

#### **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 on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of the financial statements and MD&A 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 22, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) "Blair Tamblyn"*

\_\_\_\_\_  
**R. Blair Tamblyn**  
**Chairman**



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

**1.0 MANDATE**

**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.**

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 Asset Management 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”).

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**

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.

The composition of the Board, including the qualification of its members, shall comply with the constating documents of the Company, the OBCA as well as other applicable legislation, rules and regulations.

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.

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.

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

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.

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.

**3.0 BOARD MEETINGS**

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.

The Board shall meet separately without Management present as it shall determine, but at least once annually.

The Board shall hold in camera independent director meetings following every scheduled Board meeting as well as following special Board meetings as deemed necessary.

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

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.

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.

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.

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**

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 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) Review the Board's mandate annually and recommend and implement 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.

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.

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 Bylaws, at meetings of the Board and at meetings of each committee of which the director sits.

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

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**

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.

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.