

QUESTIONS AND ANSWERS

The following provides various questions and answers on the Proposed Acquisition and the related corporate reorganization. The following highlights selected information from the accompanying management information circular (the "Circular"). Please read the Circular carefully in its entirety to understand the terms of the Proposed Acquisition, related corporate reorganization and other considerations that may be important to you in deciding whether to approve the matters to be considered at the Meeting. Capitalized terms used below will have the meanings given to them in the accompanying Circular. Except where otherwise indicated, all dollar amounts set forth below are in Canadian Dollars.

On October 5, 2020, the Corporation announced the proposed acquisition (the "**Proposed Acquisition**") of the outstanding securities of Dominion Lending Centres Limited Partnership ("**DLC LP**") and Dominion Lending Centres GP Inc. ("**DLC GP**" and together with DCL LP, "**DLC**") that the Corporation does not already own.

1. *Does FAC currently have an ownership interest in DLC LP?*

Yes, FAC currently holds an approximate 60% interest in DLC LP. As FAC controls DLC LP, the financial results of FAC included the consolidated results of DLC LP along with the financial results of FAC's two other controlled investments (Club16 and Impact).

2. *How is FAC completing the Proposed Acquisition?*

FAC will acquire all of the DLC LP units and shares of DLC GP that it does not already own in exchange for 26,774,054 newly created Series 1 Preferred Shares.

In addition, subject to the approval and completion of a private placement of Common Shares to Belcorp Industries Inc., FAC will amend the terms of the Series 1 Preferred Shares to remove the current "Inversion Rights" that entitle the DLC Principals to receive a disproportionate share of future cash distributions of the Core Business (as defined in the Purchase Agreement) of DLC above a certain threshold. See Questions 10 and 11 below.

3. *Who is KayMaur Holdings Ltd.?*

KayMaur Holdings Ltd. ("**KayMaur Holdco**") is a holding company controlled by Gary Mauris and Chris Kayat (the founders and principal operators of DLC). Approximately 95% of the Series 1 Preferred Shares will be issued to KayMaur, with the remaining Series 1 Preferred Shares being issued to minority securityholders of DLC.

4. *Why did FAC elect to issue Preferred Shares?*

FAC elected to issue Preferred Shares so that the terms of the Preferred Shares could closely align with the terms of the DLC LP units being acquired. The use of the Preferred Shares permits the use of specialized share terms that provide the holders thereof with entitlements to specified dividends out of the DLC business (the "**Core Business**" as defined in the Purchase Agreement), but secure the pro rata future growth of the DLC business for the benefit of all holders of Common Shares. Further, FAC wanted to avoid the dilution from issuing Common Shares.

5. *Are the Preferred Shares voting or convertible into Common Shares?*

The Preferred Shares are non-voting and do not convert into Common Shares.

6. *What are the key provisions for the Preferred Shares?*

For a summary of the terms of the Series 1 Preferred Shares see "Business of the Meeting – Particulars of Matters to be Acted Upon – Approval of the Proposed Acquisition – Series 1 Preferred Shares". A full copy of the Preferred Share provisions are attached hereto as Appendix "A".

7. *Once FAC and DLC are amalgamated, what will be the new corporate name?*

Subject to the approval at the Meeting of the special resolution to change the Corporation's name, the combined entity will continue as Dominion Lending Centres Inc.

8. *What is the current trading symbol and will it change?*

FAC currently trades on the TSXV under the symbol "FCF". Upon completion of the Proposed Acquisition and the name change, we anticipate changing the trading symbol to "DLCG".

9. *When is the Proposed Acquisition and related corporate reorganization expected to be completed?*

Subject to satisfying all conditions of closing, the Proposed Acquisition is expected to be completed on or about December 31, 2020, with the amalgamation of Dominion Lending Centres Inc. and the Corporation to occur on January 1, 2021 and name change to be completed shortly thereafter in January, 2021.

10. *What are the "Inversion Rights" proposed to be terminated as part of the transaction?*

The Inversion Rights are a feature of the current corporate structure that allow KayMaur to 70% of cash distributions above a set threshold amount. KayMaur receives 40% of cash distributions up to the threshold and then the Inversion Rights provide KayMaur with 70% of cash distributions above the threshold amount.

Subject to the approval and completion of the Private Placement, the Inversion Rights will be terminated.

11. *Will the Inversion Rights continue post-closing?*

FAC anticipates terminating the Inversion Rights as part of the Proposed Acquisition. In order to terminate the Inversion Rights, FAC would issue the Vendors 4,285,714 Common Shares and would pay KayMaur a cash amount of \$7.5 million. The Common Shares and the cash payment are referred to as the "**Inversion Right Termination Consideration**".

In the event the Proposed Acquisition is approved but the Private Placement (defined below) is not approved, the Proposed Acquisition will be completed and the Inversion Rights will be retained as part of the terms of the Series 1 Preferred Shares.

12. *How will FAC fund the cash portion of the Inversion Right Termination Consideration?*

FAC anticipates completing a private placement of 4,285,714 Common Shares at a price of \$1.75 per share for gross proceeds of \$7.5 million (the "**Private Placement**"). Belkorp Industries Inc., an insider of the Corporation, has indicated that they will complete the Private Placement.

13. *On completion of the Proposed Acquisition, what will FAC own?*

FAC will own 100% of DLC, 58% of Club16 and 52% of Impact. FAC's interest in DLC will be considered the "Core Business" and FAC's interest in Club16 and Impact will be considered the "Non-Core Business".

14. *As the Proposed Acquisition is a related-party transaction, it required a formal valuation. What did the independent valuator conclude was the fair market value of 100% of DLC?*

The independent valuator concluded that the fair market value of the entire DLC Group (including DLC's 70% interest in Newton Connectivity Services Inc.) was in the range of \$228.43 million and \$232.34 million.

15. *Assuming the Proposed Acquisition is completed and the Inversion Right Termination Consideration is paid, how many Preferred Shares and Common Shares will be outstanding?*

FAC will have an aggregate of 46,653,942 Common Shares and 26,774,054 Series 1 Preferred Shares outstanding.

16. *Assuming the Proposed Acquisition is completed and the Inversion Right Termination Consideration is paid, how many Preferred Shares and Common Shares will KayMaur own or control?*

KayMaur will hold 17,114,759 Common Shares (36.7%) and 25,432,674 Series 1 Preferred Shares (95%).

17. *What will happen to the Non-Core Business assets post-closing?*

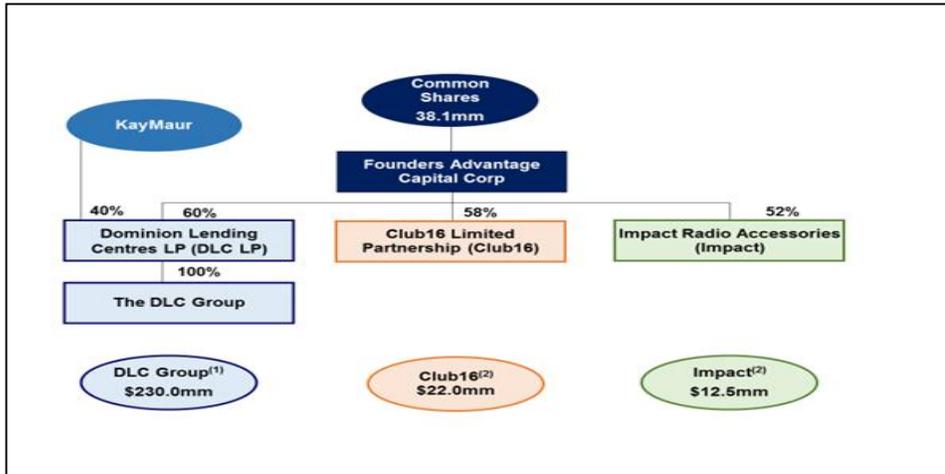
FAC will continue to hold the Non-Core Business assets (Club16 and Impact) but plans to focus primarily on DLC. FAC may elect to liquidate the Non-Core Business assets at a future date and use the proceeds to repay corporate debt.

18. *What are the conditions to closing?*

Completion of the Proposed Acquisition is subject to various conditions, including TSXV approval, shareholder approval and lender approval. The details of all such conditions are set out in further detail herein.

19. What is the corporate structure before and after the Proposed Acquisition and the corporate reorganization?

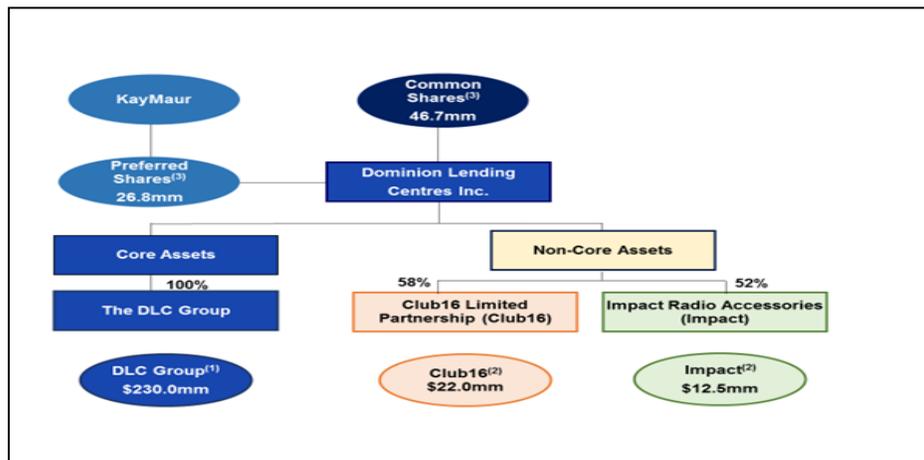
Corporate Organizational Structure Currently



Notes:

- (1) As determined by the independent valuator.
 - (2) Initial cost paid by FAC.
 - (3) Ownership interests above for DLC, Club16 and Impact do not include the inversion rights.
- The above structure has been simplified to show only those aspects relevant to the reorganization.

Corporate Organizational Structure Following Completion



Notes:

- (1) As determined by the independent valuator.
 - (2) Initial cost paid by FAC.
 - (3) KayMaur will hold 36.7% of the Common Shares and 95% of the Preferred Shares.
 - (4) Ownership interests above for Club16 and Impact do not include the inversion rights.
- The above structure has been simplified to show only those aspects relevant to the reorganization.