Class B Preferred Share, Series 1

Series 1 Preferred Shares

The Series 1 Preferred Shares will be a new series of Class B Preferred Shares, to be designated as "**Class B Preferred Shares, Series 1**". The complete terms of the Series 1 Preferred Shares are attached hereto as Appendix “A”.

The following is a summary of the principal terms of the Series 1 Preferred Shares, which have been structured to provide the Vendors with similar economic entitlements and legal rights as the DLC LP Units to be purchased from the Vendors pursuant to the Purchase Agreement. The Series 1 Preferred Shares will participate in the economic performance of the Core Business (being DLC) and will not have any economic entitlement to the performance of the Non-Core Businesses (being Club16 and Impact).

Voting Rights

The Series 1 Preferred Shares will not have voting rights, except as may be mandated in certain instances by applicable law, and will not be convertible into Common Shares. Notwithstanding this, the holders of the Series 1 Preferred Shares (a "**Preferred Shareholder**") will be entitled to nominate 40% of the Corporation's directors pursuant to the Investors Rights Agreement (as defined and discussed further below). Further, certain corporate decisions such as incurring additional debt or completing a new acquisition of a Non-Core Business will be subject to approval by the Preferred Shareholders. See *"Investors Rights Agreement*" below.

Dividend Rights

The holders of Series 1 Preferred Shares are entitled to dividends based on Core Business Distributable Cash. "**Core Business Distributable Cash**" is defined in the terms attached to the Series 1 Preferred Shares and is intended to serve as a proxy for the distributable free cash flow of the mortgage brokerage business of DLC, being equal to 95% of the following in any given fiscal year: (i) adjusted cash flows from operating activities (excluding non-cash working capital); (ii) cash flows from investing activities, and (iii) adjusted cash flows from financing activities attributable to the Core Business during a given fiscal year, less: (i) taxes attributable to the Core Business; and (ii) other adjustments approved by the Board of the Corporation and the Majority Preferred Shareholder in writing with specific reference to the applicable fiscal year. The enumerated components of Core Business Distributable Cash will be calculated on the basis of stand-alone financial statements of the Core Business which must be maintained by the Corporation for each fiscal year, as required under the terms of the Investors Rights Agreement. For a detailed description of the definition of "Core Business Distributable Cash", please refer to the terms of the Series 1 Preferred Shares attached hereto as Appendix "A".

The Series 1 Preferred Shares shall be entitled to an annual cumulative dividend (the "**Annual Series 1 Dividend**") in an amount equal to 40% of Core Business Distributable Cash. The Annual Series 1 Dividend shall be paid to Preferred Shareholders within 120 days of the end of each fiscal year. Throughout the course of the fiscal year, the Corporation shall declare and pay an interim monthly cash dividend to the Preferred Shareholders in an amount determined by the board that represents a good faith estimate of the monthly instalment of the Annual Series 1 Dividend (the "**Interim Monthly Dividends**"). The Corporation will be entitled to receive payments equal to 60% of Core Business Distributable Cash concurrently with the payment of the Interim Monthly Dividends, which amounts will be paid into a separate bank account segregated from the Core Business.

If the Interim Monthly Dividends declared and paid on the Series 1 Preferred Shares in respect of any particular Fiscal Year exceed the Series 1 Dividend Amount on the Preferred Shares for that same fiscal year, then the difference will be deducted and withheld from the Interim Monthly Dividends otherwise payable on the Series 1 Preferred Shares for the next following fiscal year, until offset in full. Similarly, if the Interim Monthly Dividends declared and paid on the Series 1 Preferred Shares in respect of any particular fiscal year are less than the Series 1 Dividend Amount on the Series 1 Preferred Shares for that same fiscal year , then the difference will be paid on the Preferred Shares in the subsequent fiscal year, in accordance with the rights, privileges, restrictions and conditions attached to the Series 1 Preferred Shares.

Liquidation Rights

In the event of a liquidation, dissolution or winding-up of the Corporation's assets and property, or the sale of the Core Business, the Series 1 Preferred Shares shall be entitled to receive the amount equal to any accrued but unpaid Annual Preferred Share Dividend plus an amount equal to 40% of the net proceeds of any liquidation event or the sale of the Core Business. The Preferred Shareholders will not be entitled, upon the liquidation, dissolution or winding up of the Corporation or on the sale of any part of the Non-Core Business, to share in any proceeds received by the Corporation from the disposition of the Non-Core Business.

Investors Rights Agreement

The investors rights agreement is an agreement between the Corporation and the holders of the Series 1 Preferred Shares (the "**Investors Rights Agreement**"). This agreement grants certain governance rights to the Preferred Shareholders similar to the governance rights associated with the current DLC LP Units. A summary of the governance rights granted to the Preferred Shareholders under the Investors Rights Agreement is set out below. The Investors Rights Agreement will remain in effect until the Corporation and holders of not less than 80% of the Series 1 Preferred Shares agree to termination.

A copy of the Investors Rights Agreement is attached as a schedule to the Purchase Agreement which was filed on the Corporation's SEDAR profile on October 5, 2020 and is available for review at www.sedar.com. Summaries of the key terms and conditions included in the Investors Rights Agreement and other agreements incidental to the Proposed Acquisition are set out below.

Board Appointments

Any Preferred Shareholder directly holding over 80% of the Series 1 Preferred Shares (a "**Majority Preferred Shareholder**") will have the ongoing right to nominate 40% (rounded up or down to the nearest whole number provided that, in no circumstance, shall the Majority Preferred Shareholder be entitled to appoint 50% of more of the directors as a result of any such rounding) of the members of the Corporation and the board of directors (each, a "**DLC Board**") of each entity involved in the Core Business (collectively, the "**DLC Group**"). Upon consummation of the Proposed Acquisition, KayMaur Holdco will hold in excess of 80% of the Preferred Shares and Gary Mauris, Chris Kayat and James Bell are the initial nominees of KayMaur Holdco to the Board.

Further, the Investors Rights Agreement stipulates that at least one of the nominated directors of KayMaur Holdco must be invited to participate in all meetings of the audit committee of the Corporation.

Preferred Shareholder Approvals

Additionally, the following decisions (the "**Special Shareholder Decisions**") undertaken by either the Corporation or any of its subsidiaries must be approved in writing by any Majority Preferred Shareholder:

(1) incurring any material new or additional debt or other borrowings, creating or issuing any debt securities or debt instruments in respect of the DLC Group, that would result in the DLC Group having a consolidated debt-to-equity ratio in excess of 2 to 1;

(2) guaranteeing or agreeing to guarantee the obligations of any person other than the members of the DLC Group;

(3) granting loans to any person other than members of the DLC Group;

(4) terminating any of the executives or senior management of the DLC Group (excluding Chris Kayat or Gary Mauris);

(5) reducing the directors' and officers' insurance coverage provided for under the Investors Rights Agreement;

(6) acquiring by way of a share or asset transaction (or series of transactions), commencing or investing in a business other than the DLC Group (other than investments in Impact, Club16, Vital Alert or the Non-Core Businesses);

(7) entering into, or taking steps to enter into, a merger, amalgamation or other form of business combination with any other person, provided however, the foregoing: (i) shall not apply to any amalgamation, arrangement or take-over bid involving the Corporation, the effect of which provides for the acquisition of solely the common shares of the Corporation; and (ii) shall not limit the authority of the directors of the Corporation to respond to any take-over bid for the shares of the Corporation in such manner as determined by the directors of the Corporation;

(8) granting any material encumbrance over all or any portion of the property, assets or undertaking of the Corporation or any of its wholly-owned or partially-owned subsidiaries, other than as permitted by the Investors Rights Agreement;

(9) expanding the business of the DLC Group to jurisdictions outside of Canada;

(10) selling or otherwise transferring any one or more members of the DLC Group, or all or substantially all of the assets of any one or more members of the DLC Group;

(11) amending the constating documents of the Corporation or any other member of the DLC Group;

(12) restructuring any one or more members of the DLC Group;

(13) changing the size of the Board or any DLC Board;

(14) creating or issuing any shares in the capital of the Corporation that have preferential or equal treatment to the Series 1 Preferred Shares as to dividends, returns of capital or sharing of assets on liquidation as the current outstanding shares of the Corporation and each subsidiary of DLC;

(15) amalgamating Impact, Club16 or Vital Alert with the Corporation, or entering into any transaction or series of transactions that would result in the business carried on by Impact, Club16 or Vital Alert being carried on by the Corporation; or

(16) entering into, or taking steps to enter into, any non-arm's length transactions other than in respect of Impact, Club16, Vital Alert or the Non-Core Businesses.

Special Board Decisions

Any decision of the Board to make a net debt repayment from Core Distributable Business Cash must be approved by at least a majority of the directors then in office, which approval must include the nominees of the Majority Preferred Shareholder.

Restrictions on Transfers

The Preferred Shareholders cannot transfer Series 1 Preferred Shares except in accordance with the Investors Rights Agreement, provided that Preferred Shareholders may transfer all or a portion of their Series 1 Preferred Shares to an affiliated entity, so long as that entity holds at least 25% of the issued and outstanding Series 1 Preferred Shares following the transfer. Any transferee of the Series 1 Preferred Shares must agree to be bound by the Investors Rights Agreement prior to the transfer being effective.

In the event a Preferred Shareholder enters into an agreement with a third party purchaser, or receives a *bona fide* offer from a third party purchaser, to sell all or any portion of the Preferred Shareholder's Series 1 Preferred Shares, the Corporation has a right of first refusal to buy the shares on the same terms as the third party purchaser was prepared to purchase the shares.

APPENDIX "A" - SERIES 1 CLASS "B" PREFERRED SHARES

1. The first series of Class "B" Preferred Shares shall consist of an aggregate of 26,774,054 shares designated as "Series 1 Class B Preferred Shares". In addition to the rights, privileges, restrictions and conditions attaching to the Class "B" Preferred Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 1 Class B Preferred Shares shall be as follows:

   (a) **Definitions.** For the purpose of these Series 1 Class B Preferred Shares, the following terms shall have the following meanings:

      (A) "**Adjusted Cash Flows from Financing Activities**" means, for any Fiscal Year, the Cash Flow from Financing Activities, excluding:

         (1) proceeds received from or repayments on the Working Capital Revolver;

         (2) the payment of any Interim Monthly Dividends, Public Company CDC Entitlement, or Series 1 Dividend Amount; and

         (3) for greater certainty, proceeds received from equity issuances by the Corporation, including proceeds from the exercise of warrants, stock options or similar convertible securities.

      (B) "**Adjusted Cash Flows from Operating Activities**" means, for any Fiscal Year, the Cash Flows from Operating Activities excluding changes in Non-Cash Working Capital during that Fiscal Year.

      (C) "**Capital Accounts**" means collectively the Equity Capital Account and the Preferred Share Capital Account.

      (D) "**Cash Flows from Financing Activities**" means, for any Fiscal Year, the subtotal of cash provided by (or used in) financing activities under the "Financing Activities" section from the cash flow statement forming part of the Core Business Financial Statements for that Fiscal Year.

      (E) "**Cash Flows from Investing Activities**" means, for any Fiscal Year, the subtotal of cash provided by (or used in) investing activities under the "Investing Activities" section from the cash flow statement forming part of the Core Business Financial Statements for that Fiscal Year.

      (F) "**Cash Flows from Operating Activities**" means, for any Fiscal Year, the subtotal of cash provided by (or used in) operating activities under the "Operating Activities" section from the cash flow statement forming part of the Core Business Financial Statements for that Fiscal Year.

      (G) "**Club16**" means the business conducted from time to time by Club16 Limited Partnership, Club16 GP Ltd. and any successor thereto, including the Corporation.

(H) "**Core Business**" means the operations of the Corporation which exclude the Non-Core Business. For greater certainty, the Core Business shall include but not be limited to the direct and indirect mortgage brokerage and related businesses and operations of DLC.

(I) "**Core Business Distributable Cash**" for any Fiscal Year means the amount equal to 95% of the following for any given Fiscal Year:

(1) Adjusted Cash Flows from Operating Activities,

plus or minus

(2) Cash Flows from Investing Activities,

plus or minus

(3) Adjusted Cash Flows from Financing Activities,

less

(4) Taxes Attributable to the Core Business,

less

(5) other adjustments approved by the board of directors of the Corporation and the Majority Preferred Shareholder in writing with specific reference to the Fiscal Year in question.

In the event that the Core Business Distributable Cash amount from the prior Fiscal Year is a negative amount, that negative amount shall be deducted in full from the Core Business Distributable Cash for the next following Fiscal Year. In the event that International Financial Reporting Standards change, the Corporation and the holders of Preferred Shares shall act in good faith to amend this definition of Core Business Distributable Cash such that it reflects the original intention and economic benefits contemplated at the date of initial issuance.

(J) "**Core Business Financial Statements**" means the separate books and records and stand-alone financial statements maintained by the Corporation for the Core Business for each Fiscal Year including, without limitation, an income statement, a cash flow statement and a balance sheet, as required under the Investors Rights Agreement.

(K) "**DLC**" means the mortgage brokerage businesses conducted directly or indirectly as franchisor or through agents, co-brokers, associated mortgage brokers or franchisees, both online and through physical office locations, in Canada, and related businesses (including information technology services provided to support the mortgage brokerage business activities), as carried on from time to time by the Dominion Lending Centres group of companies which include, without limitation, the business previously carried-on by Dominion Lending Centres Inc. ("**Dominion**"), the

Corporation following the amalgamation of the Corporation with Dominion, MCC Mortgage Centre Canada Inc., MA Mortgage Architects Inc., Dominion Lending Centres Commercial Inc., Dominion Lending Centres National Ltd., Newton Connectivity Systems Inc., 604 Media Inc., NA Auto Pilot Media Inc., and any subsidiaries controlled by any of them or in which they hold a non-controlling interest (but excluding, in the case of the Corporation, Club16 and Impact).

(L) "**DLC Subsidiaries**" means MCC Mortgage Centre Canada Inc., MA Mortgage Architects Inc., Dominion Lending Centres Commercial Inc., Dominion Lending Centres National Ltd., Newton Connectivity Systems Inc., 604 Media Inc., NA Auto Pilot Media Inc., and any subsidiaries controlled by any of them, and any other subsidiaries of controlled by the Corporation that form part of the Core Business, but excluding the Corporation.

(M) "**Equity Capital Account**" means the amount advanced to the Core Business from the Non-Core Business, less repayments.

(N) "**Fiscal Year**" shall be the twelve (12) month period commencing on January 1 of each year and ending on December 31 of the same calendar year.

(O) "**GAAP**" means International Financial Reporting Standards as adopted by the Chartered Professional Accountants of Canada.

(P) "**Impact**" means the business conducted from time to time by Cape Communications International Inc. and any successor thereto, including the Corporation.

(Q) "**Interim Monthly Dividends**" has the meaning given to it in section 1(c)(ii).

(R) "**Investors Rights Agreement**" means the investors rights agreement dated December 31, 2020 among the Corporation, Kaymaur Holdings Ltd., 0762867 B.C. Ltd., 0872025 B.C. Ltd., Gary Mauris and Christopher Kayat.

(S) "**Majority Preferred Shareholder**" means any person directly holding in excess of 80% of the Series 1 Class B Preferred Shares.

(T) "**Net Proceeds**" means the aggregate of all consideration received from the liquidation (or partial liquidation) of the Core Business directly, or indirectly by way of a liquidation of the entire Corporation (including any amounts paid at closing and any amounts committed to be paid in the future as part of the transaction), less (i) all costs and expenses incurred by the Corporation to complete the transaction, (ii) all taxes payable by the Corporation as a result of the transaction, (iii) any amounts required to repay the Capital Accounts, (iv) the Unpaid Series 1 Dividends, and (v) the Unpaid Public Company CDC Entitlement.

(U) "**Non-Cash Working Capital**" means, for any Fiscal Year, the current assets (excluding cash) less the current liabilities (excluding the current portion of long-term debt, and current portion of lease obligations debt), from the balance sheet forming part of the Core Business Financial Statements for that Fiscal Year, plus or less the long-term portion of the foregoing current asset and liability items from such balance sheet (including long-term prepaids, long-term receivables, other long-term assets, long term accrued liabilities and long term contract liabilities) where the changes in such items are included under the "Operating Activities" section from the cash flow statement forming part of the Core Business Financial Statements for that Fiscal Year.

(V) "**Non-Core Business**" means the following:

(1) Public Company Operations (including the obligation to pay the Sagard Debt);

(2) the Equity Capital Account;

(3) cash held in the Non-Core Bank Account (as defined in the Investors Rights Agreement) including, without limitation, receipts from the Public Company CDC Entitlement, proceeds from any issuance of securities of the Corporation (excluding the proceeds from the issuance of the Series 1 Class B Preferred Shares) and the proceeds from any issuance of, or the exercise of, convertible securities of the Corporation, deposited into the Non-Core Bank Account in accordance with the Investors Rights Agreement;

(4) the Corporation's investment in Club16;

(5) the Corporation's investment in Impact;

(6) the Corporation's investment in Vital Alert;

(7) the Sagard Debt (and any refinancing thereof); and

(8) any other borrowings or other forms of term debt and non-term debt from institutional and other lenders for use in the Non-Core Business of the Corporation, as may be approved by the directors of the Corporation from time to time.

(W) "**Preferred Share Capital Account**" shall mean any amount advanced to the Core Business, less repayments, by the holders of Series 1 Class B Preferred Shares.

(X) "**Public Company CDC Entitlement**" means an amount equal to the Core Business Distributable Cash for a given Fiscal Year less the Series 1 Dividend Amount (whether or not paid) for the Fiscal Year.

(Y) "**Public Company Operations**" means the operations of the Corporation directly solely for the purpose of being a reporting issuer and an investment company, including the head office operations located in Calgary, Alberta.

(Z) "**Sagard**" means Sagard Credit Partners.

(AA) "**Sagard Debt**" means the credit facility between the Corporation and Sagard and any successor credit facility entered into by the Corporation to refinance the Sagard Facility (if applicable).

(BB) "**Series 1 Dividend Amount**" means 40% of Core Business Distributable Cash, if any, in respect of the applicable Fiscal Year;

(CC) "**Series 1 Liquidation Amount**" means an aggregate amount equal to 40% of the Net Proceeds realized by the Corporation from the liquidation of the Core Business;

(DD) "**Series 1 Preferential Dividends**" has the meaning given to it in section 1(c)(iii).

(EE) "**Taxes Attributable to Core Business**" means, for any Fiscal Year, the portion of income taxes actually payable by the Corporation in respect of that Fiscal Year that can be reasonably attributed to the Core Business on the assumption that Non-Core Business expenses are applied first against Non-Core Business income, then against the Core Business income. For greater certainty, Taxes Attributable to Core Business shall not include amounts already deducted in calculating Cash Flows from Operating Activities (as the intent is not to deduct the same amounts twice).

(FF) "**Unpaid Public Company CDC Entitlement** " means as at the relevant time, an amount equal to the Public Company CDC Entitlement which is owing or accrued but not transferred to the Non-Core Bank Account (as contemplated under the Investors Rights Agreement).

(GG) "**Unpaid Series 1 Dividends**" means as at the relevant time, an amount equal to the amount of any accrued but unpaid Series 1 Dividend Amount (including any dividends declared on the Series 1 Class B Preferred Shares but unpaid as at the date of liquidation, dissolution or winding-up), plus an amount equal to any accrued but unpaid Series 1 Preferential Dividends.

(HH) **"Vital Alert" means Vital Alert Communication Inc. and its related entities.**

(II) "**Working Capital Revolver**" means the separate revolving loan facility maintained by the Corporation for the sole purpose of funding changes to Non-Cash Working Capital in the Core Business.

(b) **Voting Rights.** The holders of Series 1 Class B preferred Shares shall have no right to receive notice of or to be present at or vote either in person or by proxy, at any meeting of the shareholders of the Corporation by virtue of or in respect of their holding of Series 1 Class B Preferred Shares.

(c) **Dividend Rights.**

(i) Subject to applicable law and to any deductions required under section 1(c)(ii), the holders of the Series 1 Class B Preferred Shares shall be entitled to share pro rata in an annual cumulative cash dividend equal to the Series 1 Dividend Amount on the Series 1 Class B Preferred Shares, which Series 1 Dividend Amount shall be paid within one hundred and twenty (120) days of the end of such Fiscal Year.

(ii) Subject to applicable law, the board of directors of the Corporation shall declare and pay within each Fiscal Year on the Series 1 Class B Preferred Shares a non-cumulative monthly cash dividend, on or prior to the last business date of each month, in an aggregate amount determined by the board of directors of the Corporation as representing $1/12^{th}$ of their good faith estimate of the aggregate Series 1 Dividend Amount anticipated to be payable in respect of that Fiscal Year pursuant to section 1(c)(i) and prior to any deductions being made under this section 1(c)(ii), to be shared pro rata by the holders of the Series 1 Class B Preferred Shares (the "**Interim Monthly Dividends**"); provided that such Interim Monthly Dividends so declared in and paid in any Fiscal Year shall be deducted from any Series 1 Dividend Amount to be declared and paid under section 1(c)(i) for that same Fiscal Year.

(iii) In the event that the Corporation fails to pay and Series 1 Dividend Amount payable under and within the time required in section 1(c)(i), or any Interim Monthly Dividends payable under and within the time required under section 1(c)(ii), then the holders of the Series 1 Class B Preferred Shares shall be entitled to receive and the Corporation shall pay thereon, a fixed cumulative preferential dividend at the rate equal to 12% per annum on the aggregate outstanding amount of such Series 1 Dividend Amount and Interim Monthly Dividends, compounded monthly, from the date that such outstanding Series 1 Dividend Amount and Interim Monthly Dividends were payable under sections 1(c)(i) and 1(c)(ii) respectively, and until paid in full to the holders of the Series 1 Class B Preferred Shares, to be shared pro rata by the holders of the Series 1 Class B Preferred Shares (the "**Series 1 Preferential Dividends**").

(d) **Liquidation Rights.**

(i) Subject to clause (ii) below, the holders of the Series 1 Class B Preferred Shares shall be entitled, upon the liquidation, dissolution or winding-up of the Corporation or the liquidation or partial liquidation of the Core Business, to share pro rata an amount equal to the Unpaid Series 1 Dividends as at the date of liquidation, dissolution or winding-up, plus the Series 1 Liquidation Amount, in preference and priority to the payments of any amounts to the holders of any other class of shares.

(ii) In the event the Net Proceeds includes amounts committed to be paid in the future as part of the transaction, such applicable portion of the Series 1 Liquidation Amount shall only be payable once it is actually received by the Corporation.

(e) **No Entitlement to Non-Core Business**

(i) The holders of the Series 1 Class B Preferred Shares shall not, as such, be entitled, upon the liquidation, dissolution or winding-up of the Corporation or on the sale of the Non-Core Business, to share in any proceeds received by the Corporation from the disposition of the Non-Core Business.

(ii) Subject to applicable laws, the Corporation shall be entitled to pay a cash dividend to the holders of class A common shares from the cash comprising the Non-Core Business.

(f) **General.**

For the purposes of calculating the entitlements of the holders of the Series 1 Class B Preferred Shares, the amounts shall be based upon the Core Business Financial Statements.