

## Fund Setup Sheet

for Distributor Head Offices - Investment Fund Operations

### Belco Private Capital Inc.

Fundserv Management Company Code: **BEL**

### Equityline Mortgage Investment Corporation

*This Fund Setup Sheet provides important information regarding the fund(s) and their attributes required by dealer head offices to complete various internal system setups and commence transaction placement via the Fundserv Network.*

#### Fund Codes & Details

Product Inception Date: June 2020

BEL Fund Code	Fund Name	Load Type*	Currency
<b>201</b>	<b>Equityline Mortgage Investment Corporation Series A Preferred Shares</b>	<b>FE</b>	<b>USD</b>
<b>203</b>	<b>Equityline Mortgage Investment Corporation Series B Preferred Shares</b>	<b>FE</b>	<b>CAD</b>
<b>205</b>	<b>Equityline Mortgage Investment Corporation Series F Preferred Shares</b>	<b>FE</b>	<b>CAD</b>

\* **FE** = Front End

#### General

Fundserv Member:	Yes	Bare Trustee Custodial Agreement:	IIROC Signed
Fundserv myserv Dealer Account Inquiry:	Yes	Trailer Fee:	n/a
Product Type:	Mutual Fund	DSC & LSC Commission:	n/a
Tax Structure:	Corporate	Management Fee:	1.00 %
Classification:	Alternative Strategies	Performance Fee:	n/a
Offering Document Type:	Offering Memorandum	Prices via Fundata:	No (US\$ 2/share for Series A, \$10/share for Series B and F)

\* For complete fund details please download an FD (Fund Setup) File from Fundserv, or go to [Fundserv Services Web → Utilities → Fund List](http://www.fundserv.com/customer-centre/fund-profiles) or <http://www.fundserv.com/customer-centre/fund-profiles>.

#### Transaction Details

##### Purchases

Pricing Frequency:	1 <sup>st</sup> & 3 <sup>rd</sup> Thursday of each month	Client Name RSP Offered:	No
Cut-off Time:	4:00pm ET	Minimum Initial Purchase:	\$5,000 (\$2,000 USD for Series A)
*Custom Cut-off Date:	n/a	Minimum Subsequent Purchase:	n/a
*Custom Price Date:	n/a	Pre-Authorized Chequing (PAC) Plans:	No
Settlement Date:	T+2	PAC Minimums:	n/a
Maximum Front End Commission:	0% (See below)	Management Fee Rebates (MFR):	No
Provincial Eligibility:	All Provinces & Territories	Distribution Option:	In-Cash <b>only</b>
Offshore Investors Eligible:	No	Distribution Frequency:	Monthly
US Investors Eligible:	No	Tax Slip Type Issued:	T5
Registered Plan & TFSA Eligibility:	Yes	Subscription Agreement Required:	Yes (see below)

**Purchase Conditions:**

- **Commissions: Order Entry Instructions** – Purchases must be placed with 0.0% as the Front End load rate, otherwise they will be rejected. This is to ensure settlement is for the full gross amount. The commission rate of up to 7% will be paid to the rep on the gross amount of all purchases, upon closing for Series A and B Preferred Shares.
- **Dealers/Advisors are required** for all **initial purchases** to deliver a **copy** of the completed Subscription Agreement **on the date the order is placed** to **Equityline Mortgage Investment Corporation** via:
  - **Email to [info@EquityLineMic.com](mailto:info@EquityLineMic.com)**
- **Original** documents are **not required** by the Manager, and should be **retained by the dealer**.

**Redemptions**

<b>Pricing Frequency:</b>	<b>Monthly - last business day</b>	<b>Settlement Date:</b>	<b>T+2</b>
<b>Cut-off Time:</b>	4:00pm ET	<b>Systematic Withdrawal Plans (SWP):</b>	No
<b>*Custom Cut-off Date:</b>	n/a	<b>Early Redemption Fees (ERF):</b>	7 % within 180 days on Series B only
<b>*Custom Price Date:</b>	n/a	<b>DSC Rate &amp; Duration:</b>	n/a

**Redemption Conditions:**

- Series A Preferred Shares may be redeemed at any time following the date that is 36 months following the date of initial issuance of the Series A Preferred Shares (the Series A Shareholder Redemption Start Date) at the Series A Preferred Share Redemption Price (less any tax required to be deducted or withheld by the Corporation and less any costs associated with such redemption).
- A Series A Redemption Period is each of the periods from January 1 to June 30 and from July 1 to December 31 of any calendar year after the Series A Shareholder Redemption Start Date (provided that if the first Series A Redemption Period is less than 3 months long, the first Series A Redemption Period shall begin on the Series A Shareholder Redemption Start Date and end on the last day of what would be the next Series A Redemption Period). This restriction means that if, between January 1 and June 30 of a calendar year, redemption notices are received for 10% of outstanding Series A Preferred Shares calculated as of January 1, subject to pro ration, no further redemption notices are required to be accepted in that period. Likewise, if between July 1 and December 31 of a calendar year, redemption notices are received for 10% of outstanding Series A Preferred Shares calculated as of July 1, subject to pro ration, no further redemption notices are required to be accepted in that period.
- Series B Preferred Share redemptions are limited to the greater of \$500,000 and 3% of the total capital of the issued and outstanding Series B Preferred Shares (Redemption Limit) determined at the beginning of such calendar month.
- Subject to the Series B Preferred Share Redemption Limit, the Series B Preferred Shares may be redeemed by a holder thereof at any time following the date of issuance at a redemption price per Series B Preferred Share equal to 93% of the Series B Preferred Share Purchase Price if redeemed within 6 months from the date of issuance, and at a redemption price per Series B Preferred Share equal to:
  - (i) 93% of the Series B Preferred Share Redemption Price if redeemed within 12 months from the date of issuance;
  - (ii) 96% of the Series B Preferred Share Redemption Price if redeemed on or after 12 months from the date of issuance but within 24 months from the date of issuance;
  - (iii) 98% of the Series B Preferred Share Redemption Price if redeemed on or after 24 months from the date of issuance but within 36 months from the date of issuance; and
  - (iv) 100% of the Series B Preferred Share Redemption Price if redeemed on or after 36 months from the date of issuance.
- Series F Preferred Share redemptions are limited to the greater of \$500,000 and 3% of the total capital of the issued and outstanding Series F Preferred Shares (Redemption Limit) determined at the beginning of such calendar month.
- Subject to the Series F Preferred Share Redemption Limit, the Series F Preferred Shares may be redeemed by a holder thereof at any time following the date of issuance at a redemption price per Series F Preferred Share equal to the Series F Preferred Share Purchase Price. Payment for Series F Preferred Shares tendered for redemption prior to the Series F Monthly Redemption Notice Deadline for a month shall be made on the Series F Monthly Redemption Payment Date following the applicable Series F Monthly Redemption Date.

## Transactions Allowed

Buy:	Yes	External Transfer:	Yes
Commission Rebate:	n/a	In Cash Transfer (ICT):	n/a
Switch:	n/a	Error Correction (AOT/REV):	n/a
Sell:	Yes	LSIF Rollover:	n/a
Fee:	No	Segregated Fund Reset:	n/a
Internal Transfer:	Yes	Segregated Fund Maturity:	n/a

## Additional Information

### Investment Objective

- The investment objective of the Corporation is, with a focus on capital preservation, to acquire and maintain a Portfolio consisting primarily of (i) Non-Conventional Mortgages and (ii) Alt-A Mortgages that generate attractive returns relative to their risk in order to permit the Corporation to pay distributions to its Shareholders. However, there is no assurance that the Corporation will be able to declare any dividends in any period or at all.

### Distributions

- Holders of the Series Preferred Shares shall be entitled to receive, and the Corporation shall pay thereon, if, as and when declared by the Board, out of moneys of the Corporation properly applicable to the payment of dividends, fixed, cumulative, preferential monthly cash dividends in an amount equal to an annual rate of 8% (8.5% for Series F Preferred Shares) based on the purchase price of the Series Preferred Shares, payable, with respect to each Series Preferred Share Dividend Period, on the 15th day of each of the months of each year (the Dividend Payment Date) in respect of such Series Preferred Share Dividend Period. Dividends shall accrue daily from and including the date of issue of such shares.

### Management Fee

- For acting as manager of the Corporation, the Manager receives from the Corporation a management fee equal to 1% per annum of the Aggregate Funded and Committed Assets of the Corporation, calculated daily, aggregated and paid monthly in arrears, plus applicable taxes.

## Contact Information

### Fund Company

Company Name:	<b>Belco Private Capital Inc.</b>
Head Office Address:	40 Eglinton Avenue East, Suite 301, Toronto, ON, M4P 3A2
Phone:	<b>519-504-3282</b>
Website:	<a href="http://www.belcopc.com">www.belcopc.com</a>
Email:	<a href="mailto:inquiries@belcopc.com">inquiries@belcopc.com</a>

### Issuer

Company Name:	<b>Equityline Mortgage Investment Corporation</b>	Sales & Marketing Contact:	<b>Equityline Financial Corp.</b>
Head Office Address:	550 Highway 7 Ave E., Suite 338, Richmond Hill, ON, L4B 3Z4	Email:	<a href="mailto:Sergiy@EquityLineMic.com">Sergiy@EquityLineMic.com</a>
Phone:	<b>1-888-269-1988</b> or 416-999-3993		
Fax:	416-999-3336		
Website:	<a href="http://www.EquityLineMic.com">www.EquityLineMic.com</a>		
Email:	<a href="mailto:info@EquityLineMic.com">info@EquityLineMic.com</a>		

**Back Office Administrator**

<b>Company Name:</b>	<b>SGGG Fund Services Inc.</b>	<b>Phone (Account Inquiry):</b>	416-967-0038 x1 or 1-888-967-0038
<b>Head Office Address:</b>	121 King Street West, Suite 300, Toronto, ON, M5H 3T9	<b>General Processing Fax:</b>	416-967-1969
<b>Website:</b>	<a href="http://www.sgggFSI.com">www.sgggFSI.com</a>	<b>Dealer Services:</b>	<a href="mailto:AdminServices@sgggFSI.com">AdminServices@sgggFSI.com</a>