

TERRA FIRMA CAPITAL CORPORATION

Code of Business Conduct and Ethics

August 8, 2016

Introduction

This Code of Business Conduct and Ethics (“Code”) has been adopted by the Board of Directors of Terra Firma Capital Corporation (collectively with its subsidiaries, the “Corporation”) to summarize the standards of business conduct that must guide the actions of the Corporation’s Directors, Officers, and employees.

The Corporation has issued this Code to deter wrongdoing and to promote:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- avoidance of conflicts of interest with the interests of the Corporation, including disclosure to an appropriate person of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- full, fair, accurate, timely and understandable disclosure in reports and documents that the Corporation files with, or submits to, the securities regulators and in other public communications made by the Corporation;
- confidentiality of Corporate information;
- protection and proper use of corporate assets and opportunities;
- compliance with applicable governmental laws, rules and regulations;
- the prompt internal reporting of any violations of this Code to an appropriate person or persons identified in the Code;
- accountability for adherence to the Code;
- guidance to Directors, Officers and employees to help them recognize and deal with ethical issues;
- mechanisms to report unethical conduct; and
- the Corporation’s culture of honesty and accountability

This Code provides guidance on ethical and legal responsibilities. The Corporation expects all Directors, Officers and employees to comply, at all times, with the principles in this Code, and the Corporation is committed to taking prompt and consistent action against violations of the Code. Violation of the standards outlined in the Code may be grounds for disciplinary action up to and including termination of employment or other business relationships. Directors, Officers and employees who are aware of suspected misconduct, illegal activities, fraud, or abuse of the Corporation’s assets or violations of the standards outlined in the Code are responsible for reporting such matters.

For the purpose of this Code, the Corporation’s Chief Financial Officer, being the Corporate Secretary of the Corporation, will be responsible for administering this Code and monitoring compliance with its provisions and procedures. The Chief Financial Officer may designate one or more individuals who may perform certain duties in the event the Chief Financial Officer is unable to perform such duties.

Basic Obligations

Under the Corporation's ethical standards, Directors, Officers and employees share certain responsibilities. It is Directors', Officers' and employees' responsibility to (i) become familiar with, and conduct the Corporation's business in compliance with applicable laws, rules and regulations and this Code; (ii) treat all employees, customers and business partners in an honest and fair manner; (iii) avoid situations where Directors', Officers' and employees' personal interests are, or appear to be, in conflict with the Corporation's interests; and (iv) safeguard and properly use the Corporation's proprietary and confidential information, assets and resources, as well as those of the Corporation's customers and business partners.

Raising Concerns

If Directors, Officers and employees should learn of a potential or suspected violation of the Code or of any applicable laws or regulations, they have an obligation to promptly report the violation orally or in writing and, if preferred, anonymously, as the case may be, as follows:

- in the case of a situation that does not involve Management of the Corporation or the Directors, to the Chief Financial Officer of the Corporation;
- in the case of a situation that involves Management of the Corporation and does not involve any member of the Audit Committee of the Corporation, to the Chair or any member of the Audit Committee; and
- in the case of a situation that involves Management of the Corporation and any member of the Audit Committee, to any independent Director or to the corporate Counsel of the Corporation whose name and contact information is available at the Company's Website.

If the issue or concern is related to the internal accounting controls of the Corporation or any accounting or auditing matter, Directors, Officers and employees may report it anonymously to the Audit Committee.

Policy Against Retaliation

The Corporation prohibits any Director or employee from retaliating or taking adverse action against anyone for raising, in good faith, suspected conduct violations or helping to resolve a conduct concern. Any individual who has been found to have engaged in retaliation against the Corporation, a Director, an Officer or an employee for raising, in good faith, a conduct concern or for participating in the investigation of such a concern may be subject to discipline, up to and including termination of employment or other business relationships. If any individual believes that he or she has been subjected to such retaliation, that person is encouraged to report the situation as soon as possible to one of the people detailed in the "Raising Concerns" section above.

Conflicts of Interest

Directors, Officers and employees of the Corporation must base decisions and actions on the best interest of the Corporation and shall avoid situations where their personal interest could conflict with, or even appear to conflict with, the interests of the Corporation.

Conflicts of interest arise where an individual's position or responsibilities with the Corporation present an opportunity for personal gain apart from the normal rewards of employment, to the detriment of the Corporation. Directors, Officers and employees, shall perform the responsibilities of their positions on the basis of what is in the best interests of the Corporation and free from the influence of personal considerations and relationships. Though it is not possible to list every activity

or situation that may raise a conflict of interest issue(s), the non-inclusive list below is included to help Directors, Officers and employees recognize some of the more significant ones:

- **Corporate Opportunities.** Taking personal advantage of opportunities that are discovered through the use of corporate property, information or position, or using corporate property, information or a position for personal gain or competing with the Corporation. Such action is prohibited.
- **Gifts.** Receiving from, or giving to, a supplier, customer or competitor, gifts, gratuities, special allowances, discounts or other benefits not generally available of more than nominal or intrinsic value.
- **Loans.** Providing loans to, or guarantees of obligations of, employees, Officers and Directors or their family members will not be allowed without the prior written approval of the Board of Directors. The Corporation will not extend, maintain or arrange for any personal loan to or for any executive Officer (or the equivalent thereof).
- **Outside Activity.** Engaging in any outside activity that materially detracts from or interferes with the performance by a Director, Officer or employees of his or her services to the Corporation.
- **Outside Employment.** Serving as a Director, representative, employee, partner, consultant or agent of, or providing services to an enterprise that is a supplier, customer or competitor of the Corporation.
- **Personal Interests.** Having a direct or indirect personal interest in a transaction involving the Corporation.
- **Personal Investments.** Directly or indirectly, owning a material amount of a financial interest in a supplier, customer or competitor (not including routine investments in publicly traded companies).

Directors, Officers and employees must not place themselves or remain in a position in which their private interests conflict with the interests of the Corporation. All potential and actual conflicts of interest or material transactions or relationships that reasonably could be expected to give rise to such a conflict or the appearance of such a conflict must be promptly communicated to the Chief Financial Officer of the Corporation. Employees should take care to report conflicts to a person who they believe is not involved in the matter giving rise to the conflict.

Confidentiality Concerning Corporation Affairs

Directors, Officers and employees should maintain the confidentiality of all information (whether or not it is considered proprietary) entrusted to them not only by the Corporation but also by suppliers, customers and others related to our business. Confidential information includes all non-public information that, if disclosed, might be of use to our competitors or harmful to the Corporation, or its customers or suppliers. Examples of confidential information include trade secrets, marketing plans, customer lists, or acquisition or divestiture prospects.

Directors, Officers and employees should take steps to safeguard confidential information by keeping such information secure, limiting access to such information to those persons who have a “need to know” in order to do their job. Confidential information may be disclosed to others when disclosure is authorized by the Corporation or must be made pursuant to laws or regulations. The obligation to preserve confidential information is ongoing, even after termination of appointment or employment. As a prerequisite and condition of employment, all employees and Officers must sign a written agreement confirming this obligation on joining the Corporation.

Competition and Fair Dealing

The Corporation firmly believes that fair competition is fundamental to continuation of the free enterprise system and seeks to outperform its competition fairly and honestly. The Corporation seeks competitive advantages through innovative financial engineering and superior services and performance and not through unethical or illegal business practices. Information about other companies and organizations, including competitors, must be gathered using appropriate methods. Each Director, Officer and employee should endeavour to respect the rights of, and deal fairly with the Corporation's customers, suppliers, competitors and employees. No Director, Officer or employee shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

Insider Trading

The Corporation encourages all employees to become shareholders on a long-term investment basis. However, Management, employees, members of the Board of Directors and others who are in a "special relationship" with the Corporation from time to time, may become aware of developments or plans which may affect the value of the Corporation's common shares or other publicly traded securities (inside information) before these developments or plans are made public. The law prohibits the use of "material inside information" when trading in or recommending Corporation securities. Any person who is in possession of material inside information is deemed to be an "insider." This would include Directors, Officers and employees, as well as spouses, friends or brokers who may have acquired such information directly or indirectly from an insider.

No Director, Officer or employee may engage in transactions in the Corporation's securities (whether for their own account or otherwise) while in possession of material inside information relating to the Corporation ("Insider Trading"). Further, no Director, Officer or employee who is in possession of material inside information may communicate such information to third parties who may use such information in the decision to purchase or sell the Corporation's securities ("Tipping"). These restrictions also apply to securities of other companies if a Director, Officer or employee learns of material inside information in the course of his or her duties for the Corporation. In addition to violating Corporation policy, Insider Trading and Tipping are illegal.

Blackout periods occur at certain times throughout the year, and during this time, all of the Corporation's Officers and Directors and certain employees are prohibited from buying or selling the Corporation's securities. Please refer to the Corporation's Insider Trading Policy.

Telecommunications

Telecommunications facilities of the Corporation such as telephone, cellular phones, facsimile, internet and email are the Corporation's property. Use of these facilities imposes certain responsibilities and obligations on all Directors, Officers and employees. Usage must be ethical and honest with a view to preservation of and due respect for the Corporation's intellectual property, security systems, personal privacy, reputation, and freedom of others from intimidation, harassment, or unwanted annoyance.

Quality of Disclosure

The Corporation is committed to providing timely, consistent and credible dissemination of information, consistent with disclosure requirements under applicable securities laws. Directors, Officers and employees should also refer to the Corporation's Disclosure Policy, once established.

Accuracy of Corporation Records

As a public issuer, the Corporation is required to record and publicly report all internal and external financial records in compliance with International Financial Reporting Standards. Therefore, Directors, Officers and employees are responsible for ensuring the accuracy of all records within their control and complying with all Corporation policies and internal controls. All Corporation information must be reported accurately, whether in internal personnel, safety, or other records or in information the Corporation releases to the public or files with government agencies.

Financial Reporting and Disclosure Controls

As a public entity, the Corporation is required to file periodic and other reports with the Securities Commissions and to make certain public communications. The Corporation is required by the Securities Commissions to maintain effective “disclosure controls and procedures” so that financial and non-financial information is reported timely and accurately both to our Senior Management and in the filings the Corporation makes. Directors, Officers and employees are expected, within the scope of their duties, to support the effectiveness of the Corporation's disclosure controls and procedures.

Compliance with All Laws, Rules and Regulations

The Corporation is committed to compliance with all laws, rules, and regulations, including laws and regulations applicable to the Corporation's securities and trading in such securities, as well as any rules promulgated by any exchange on which the Corporation's common shares or other securities are listed.

Customers and Business Partners

The Corporation's policy is to build lasting relationships with borrowers, real estate owners/operators and business partners through superior delivery and execution and honest sales and marketing.

The Corporation strives to achieve satisfied borrowers and real estate owners and to building mutually advantageous alliances with all our business partners.

The Corporation's long-term reputation and business viability depend upon the continued execution of high quality loan originations and loan servicing provided by the Corporation. The Corporation is committed to delivering services that meet borrowers, real estate owners and investor expectations.

The Corporation will comply with applicable advertising laws and standards, including a commitment that the Corporation's advertising and marketing will be truthful, non-deceptive, and fair and will be backed up with evidence before advertising claims are made. The Corporation's policy also prohibits making false or deceptive statements about competitors and giving or accepting kickbacks, bribes, inappropriate gifts and other matters prohibited under the “Conflict of Interest” section above.

Health and Safety

The Corporation is committed to making the work environment safe, secure and healthy for its Directors, Officers, employees and others. The Corporation complies with all applicable laws and regulations relating to safety and health in the workplace. The Corporation expects each Director, Officer and employee to promote a positive working environment for all. Directors, Officers and employees are expected to consult and comply with all Corporation rules regarding workplace conduct and safety. Directors, Officers and employees should immediately report any unsafe or hazardous conditions or materials, injuries, and accidents connected with the Corporation's business and any activity that compromises the Corporation's security to an appropriate supervisor. Directors,

Officers and employees must not work under the influence of any substances that would impair the safety of others. All threats or acts of physical violence or intimidation are prohibited.

1. Respect for Our Employees

The Corporation's employment decisions will be based on reasons related to the Corporation's business, such as job performance, individual skills and talents, and other business-related factors. The policy requires adherence to all national, provincial or other local employment laws. In addition to any other requirements of applicable laws in a particular jurisdiction, the Corporation's policy prohibits discrimination in any aspect of employment based on race, colour, religion, sex, national origin, disability or age, within the meaning of applicable laws.

2. Abusive or Harassing Conduct Prohibited

The Corporation prohibits abusive or harassing conduct by Directors, Officers and employees toward others, such as unwelcomed sexual advances, comments based on ethnicity, religion or race, or other non-business personal comments or conduct that make others uncomfortable in their employment with the Corporation. The Corporation encourages and expects Directors, Officers and employees to report harassment or other inappropriate conduct as soon as it occurs.

3. Privacy

The Corporation, and companies and individuals authorized by the Corporation, collect and maintain personal information that relates to Directors', Officers' and employees' employment, including compensation, medical and benefit information. The Corporation follows procedures to protect information wherever it is stored or processed, and access to Directors, Officers and employees personal information is restricted. Directors', Officers' and employees' personal information will only be released to outside parties in accordance with the Corporation's policies and applicable legal requirements. Directors, Officers and employees who have access to personal information, must ensure that personal information is not disclosed in violation of the Corporation's policies or practices.

Waivers and Amendments

The Corporation will periodically review this Code. Only the Board of Directors may waive application of or amend any provision of this Code. A request for such a waiver should be submitted in writing to the Board of Directors, Attention: Chair, Governance, Compensation and Nominating Committee, for its consideration. The Corporation will promptly disclose to investors all substantive amendments to the Code, as well as all waivers of the Code granted to Directors, Officers or employees in accordance with applicable laws and regulations.

PUBLICATION

This Policy will be posted on the Corporation's website at <http://www.tfcc.ca/>