

To our valued partners,

It's no secret that the past few weeks have been a challenge for Home Capital and its subsidiaries. We're very aware that this situation has had a negative impact on our deposit broker partners, and we regret the stress it may have caused you and your clients.

Moving forward, we have taken many prudent steps to safeguard depositor interests.

Meeting all of our obligations remains our first priority. In the face of an unprecedented withdrawal of demand deposits, Home Capital secured a \$2 billion line of credit to provide additional liquidity for potential HISA account withdrawals and maturing GICs.

Home Capital also recently announced an arrangement with a third party that wishes to purchase funded mortgages or accept mortgage commitments and renewals up to a total of \$1.5 billion. The third party has also indicated an interest in expanding this arrangement at a later date. These actions are designed to put us on a path to restoring investor confidence.

Together with the steps we've taken to shore up our capital reserves, Home Capital has also moved very quickly to deliver on its governance renewal initiatives. Brenda Eprile, who serves as an independent director on the Home Capital Board, has been named Chair. Ms. Eprile has considerable financial market experience, including managing the risk consulting practice for the Canadian operations of a major global accounting firm. Ms. Eprile also served as a senior member of the Ontario Securities Commission as Chief of Staff (Executive Director).

In addition to the appointment of Ms. Eprile, three leading Canadian business people have also joined the Board to provide their expertise and guidance as we move forward: Sharon Sallows is an experienced director with public and private companies and has an extensive background in lending and investment across a wide range of industry groups, including real estate; Claude Lamoureux is the former Chief Executive Officer of the Ontario Teacher's Pension Plan and a co-founder of the Canadian Coalition for Good Governance; and Paul Haggis previously served as CEO of Ontario Municipal Employees Retirement System (OMERS), and is the former CEO of Alberta Treasury Branches.

With this exceptionally strong Board supporting our senior executive team, I have every confidence we are positioning ourselves well to put these challenges behind us.

Home Capital continues to offer deposits from both Home Trust Company and Home Bank, and both entities are members of the Canadian Deposit Insurance Corporation. That means all deposits remain eligible for full CDIC coverage, up to applicable limits.

We have made excellent progress over the past couple of weeks, but there is still considerable work to do to restore depositor confidence, and I thank you for your patience and support during this process.

You have my personal commitment that we will do everything possible to ensure we continue to provide for the investing needs of your clients, and I will continue to share updates with you as information becomes available.

Sincerely,



Benjy Katchen  
EVP Deposits & Consumer Lending