



**Firm Capital Mortgage Investment Corporation (the “Corporation”)**

**Frequently Asked Questions**

**Shareholder Dividend Reinvestment Plan**

The Corporation’s Dividend Reinvestment Plan (the “Plan”) allows Shareholders to use their monthly cash dividends to steadily increase ownership in the Corporation without incurring commission or other transaction costs as far as Shares are purchased under the treasury component of the Plan.

Investors registered in the Plan will also each receive a right to purchase, at market, additional Shares from treasury provided that the such investment be no greater than \$12,000 per year and no less than \$250 per month.

Dividends in respect of whole Shares or fractions of Shares held within the Plan will be automatically re-invested in additional Shares in accordance with the Plan.

**Please note that if your Shares are held in an investment dealer’s account and are not registered in your name, you may still arrange to participate in the Plan by contacting your investment dealer.**

Many frequently asked questions relating to the Plan and its implementation are answered below. An electronic version of the Shareholder Dividend Reinvestment Plan as well as an authorization form to enroll in the Plan are available on our website ([www.firmcapital.com](http://www.firmcapital.com)).

The following Frequently Asked Questions have been developed to assist the Corporation’s Shareholders in understanding its Dividend Reinvestment Plan. **Shareholders are encouraged to carefully read the full details of the Plan before enrolling.**

***What is the Dividend Reinvestment Plan?***

The Plan allows Shareholders of the Corporation to have their monthly cash dividends reinvested in additional Shares. In addition, Shareholders registered in the Plan will receive a right to purchase, at the average market price, additional Shares provided that such investment be limited to \$12,000 per year and purchases per month must equal at least \$ 250.

***Who administers the Plan?***

The Plan is administered by the Corporation's transfer agent and registrar, Computershare Trust Company of Canada (the "Agent").

***What price do I pay for the Shares?***

The price paid for Shares will depend on the weighted average trading price of the Shares on The Toronto Stock Exchange for the five trading days immediately preceding each dividend date (which is on or about the 15th day of each month (other than January 15) and December 31). If the weighted average trading price per Share is less than \$14.85, the Agent will use the cash dividends on Shares to purchase, through an investment dealer selected by the Corporation, at a cost less than \$14.85 per Share, additional Shares through the facilities of The Toronto Stock Exchange. To the extent the investment dealer is unable to purchase additional Shares at a cost of less than \$14.85 per Share, the remaining funds will be used to purchase Shares from treasury at \$14.85 per Share. If the weighted average trading price per Share is \$14.85 or more, the Agent will use the cash dividends on Shares to purchase Shares from treasury at a 3% discount to the weighted average trading price. Shareholders registered in the Plan who exercise their rights to purchase additional Shares in each year will be credited with that number of Shares equal to the monthly cash payments received by the Corporation divided by the weighted average trading price in each such month.

***What are the benefits to enrolling in the Plan?***

Shareholders enrolling in the Plan can steadily increase their ownership of the Corporation on a convenient monthly basis. You pay no commissions, service charges or brokerage fees insofar as Shares are purchased under the treasury component of the Plan at a discount. You also receive a right to purchase at market additional Shares provided that the such investment be no greater than \$12,000 per year and purchases per month equal at least \$250.

***Will I receive a report of my purchases under the Plan?***

The Agent or your investment dealer will send you statements of your purchases in the Plan. If you hold your Shares in registered form, the Agent will deliver your statement on a monthly basis. Otherwise you will receive your statement in accordance with your investment dealer's usual practice. You will also receive appropriate tax information for reporting dividends paid on Shares in the Plan.

***Are there any tax consequences of enrolling in the Plan?***

As each individual's tax situation is different, the Corporation encourages you to seek advice relating to the tax consequences of enrolling in the Plan from your tax advisor.

***When can I join the Plan?***

You can join the Plan at any time. If your authorization form is received five business days prior to the record date of a dividend, the immediately following cash dividend will be invested in the Plan.

***How do I terminate my participation in the Plan?***

You can terminate your participation in the Plan at any time by advising your investment dealer or, in the case of registered holders, the Agent, by providing a termination form in accordance with the Plan. Upon termination you will be issued a certificate for your whole Shares held on your behalf pursuant to the Plan and a cash payment for any fraction of a Share, unless you make alternative arrangements with your investment dealer.

***Who can join the Plan?***

Any Canadian Shareholder is eligible to join the Plan. If your Shares are held in an investment dealer's account and not registered in your name, you should arrange to participate in the Plan by contacting your investment dealer.

***How do I enroll in the Plan?***

You may call your investment advisor and simply ask your investment advisor to make the necessary arrangements. Otherwise, if your Shares are registered in your name, you can complete the Authorization Form included in this package (and located on our website) and forward it to the Agent.