

TRICON CAPITAL GROUP INC.

CHARTER OF THE BOARD OF DIRECTORS

The purpose of this Charter is to set out the mandate and responsibilities of the board of directors (the “**Board**”) of Tricon Capital Group Inc. (the “**Company**”), subject to the provisions of applicable statutes.

1. Composition

The Board shall be constituted with a majority of individuals who qualify as “independent” as defined in National Policy 58-201 – *Corporate Governance Guidelines*.

2. Responsibilities of the Board of Directors

The Board is responsible for the stewardship of the Company and in that regard shall be specifically responsible for:

- (a) adopting a strategic planning process and approving, on at least an annual basis, a budget, and evaluating and discussing a strategic plan for the upcoming year which takes into account, among other things, the opportunities and risks of the Company’s business and investments;
- (b) supervising the activities and managing the investments and affairs of the Company;
- (c) approving major decisions regarding the Company;
- (d) defining the roles and responsibilities of management;
- (e) reviewing and approving the business and investment objectives to be met by management;
- (f) assessing the performance of and overseeing management;
- (g) reviewing the Company’s debt strategy;
- (h) identifying and managing risk exposure;
- (i) ensuring the integrity and adequacy of the Company’s internal controls and management information systems;
- (j) succession planning;
- (k) establishing committees of the Board, where required or prudent, and defining their respective mandates;
- (l) receiving and evaluating reports and recommendations from the committees of the Board from time to time;
- (m) maintaining records and providing reports to shareholders;
- (n) ensuring effective and adequate communication with shareholders, other stakeholders and the public; and
- (o) determining the amount and timing of dividends or distributions to shareholders.

It is recognized that every director in exercising powers and discharging duties must act honestly and in good faith with a view to the best interest of the Company. Directors must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In this regard, they will comply with their duties of honesty, loyalty, care, diligence, skill and prudence.

In addition, directors are expected to carry out their duties in accordance with policies adopted by the Board from time to time.

It is expected that management will co-operate in all ways to facilitate compliance by the Board with its legal duties by causing the Company and any subsidiaries of the Company to take such actions as may be necessary in that regard and by promptly reporting any data or information to the Board that may affect such compliance.

3. Meetings

The Board will meet not less than four (4) times per year: at least three (3) meetings to review quarterly results, and one (1) prior to the issuance of the annual financial results of the Company. The Board shall have an independent lead director and shall meet periodically without management present to ensure that the Board functions independently of management. At each Board meeting, unless otherwise determined by the Board, an *in camera* meeting of independent directors will take place. Individual directors shall be permitted to engage outside advisors at the cost of the Company, subject to the prior approval of the Compensation, Nominating and Corporate Governance Committee.

The Board appreciates having certain members of senior management attend each Board meeting to provide information and opinion to assist the directors in their deliberations. Management attendees will be excused for any agenda items which are reserved for discussion among directors only.

4. Board Meeting Agendas and Information

The Chair, in consultation with management, will develop the agenda for each Board meeting. Agendas will be distributed to the directors before each meeting, and all Board members shall be free to suggest additions to the agenda in advance of the meeting

Whenever practicable, information and reports pertaining to Board meeting agenda items will be circulated to the directors in advance of the meeting. Reports may be presented during the meeting by members of the Board, management and/or staff, or by invited outside advisors. It is recognized that under some circumstances, due to the confidential nature of matters to be discussed at a meeting, it will not be prudent or appropriate to distribute written materials in advance.

5. Measures for Receiving Shareholder Feedback

All publicly disseminated materials of the Company shall provide for a mechanism for feedback of shareholders.

6. Telephone Board Meetings

A director may participate in a meeting of the Board or in a committee meeting by means of telephone, electronic or such other communications facilities as permit all persons participating in the meeting to communicate with each other, and a director participating in such a meeting by such means is deemed to be present at the meeting.

While it is the intent of the Board to follow an agreed meeting schedule as closely as possible, it is felt that, from time to time, with respect to time sensitive matters, telephone Board meetings may be required to be called in order for directors to be in a position to better fulfill their legal obligations. Alternatively, management may request the Board to approve certain matters by unanimous consent.

7. Expectations of Management

Management shall be required to report to the Board at the request of the Board on the performance of the Company, new and proposed initiatives, the Company's business and investments, management concerns and any other matter the Board or its Chair may deem appropriate. In addition, the Board expects management to promptly report to the Chair any significant developments, changes, transactions or proposals respecting the Company or any of its subsidiaries.

8. Communications Policy

The Board approves the content of the Company's major communications to shareholders and the investing public including the Annual Report, Management Information Circular, the Annual Information Form and any prospectuses which may be issued. The Audit Committee shall review and recommend to the Board the approval of the quarterly and annual financial statements (including the Management Discussion & Analysis) and press releases relating to financial matters. The Board also has responsibility for monitoring all of the Company's external communications. However, the Board believes that it is the function of management to speak for the Company in its communications with the investment community, the media, customers, suppliers, employees, governments and the general public.

The Board shall have responsibility for reviewing the Company's policies and practices with respect to disclosure of financial and other information including insider reporting and trading. The Board shall approve and monitor the disclosure policies designed to assist the Company in meeting its objective of providing timely, consistent and credible dissemination of information, consistent with disclosure requirements under applicable securities law. The Board shall review the Company's policies relating to communications and disclosure on an annual basis.

Generally, communications from shareholders and the investment community will be directed to the Chief Executive Officer, who will coordinate an appropriate response depending on the nature of the communication. It is expected, if communications from stakeholders are made to the Chair or to other individual directors, management will be informed and consulted to determine any appropriate response.

9. Internal Control and Management Information Systems

The Board has responsibility for the integrity of the Company's internal control and management information systems. All material matters relating to the Company and its business, including, for greater certainty and without limitation, any investments made by the Company which are not direct investments in Company-managed funds or syndicates and/or are warehoused for future Company-managed funds, or in any event are in excess of \$10 million, require the prior approval of the Board. Management is authorized to act, without Board approval, on all ordinary course matters relating to the Company's business.

The Audit Committee has responsibility for ensuring internal controls are appropriately designed, implemented and monitored and for ensuring that management and financial reporting is complete and accurate, even though management may be charged with developing and implementing the necessary procedures.

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