FirstService Financial, Inc.

FirstService Financial, an affiliate of FirstService Residential, is committed to managing your financial assets, providing guidance to your community or high-rise through challenging situations, meeting our duty to disclose information and acting in your properties best interests.

We leverage our size and expertise to increase the value of being a FirstService client by offering unmatched best-in-class services in the industry, including cash management, insurance, and lending services.

FS Insurance Brokers, a subsidiary of FirstService Financial and affiliate of FirstService Residential, merges our in-depth insurance and risk management knowledge with property management expertise to provide tailored solutions for your ommunity or high-rise's unique needs.

We created this document as part of our ongoing commitment to communication and transparency, and to highlight the services we provide.

Corporate Structure

FirstService Financial and FS Insurance Brokers are affiliates of FirstService Residential and subsidiaries of FirstService Corporation. FirstService Corporation is a North American leader in the essential property services section and is publicly traded on the Toronto Stock Exchange under the stock symbol FSV.

FirstService Financial helps optimize the financial health of your community or high-rise through:

CASH MANAGEMENT

Strategically optimize community reserves
Our cash management services provide investment strategies that aim to deliver competitive yields while supporting financial stability and long-term capital planning.

LENDING SOLUTIONS

Flexible funding options to keep projects on track
When reserves are limited, our lending team helps properties find the appropriate financing opportunities for their capital improvements — with clients experiencing closing timeframes with favorable terms, like lower interest rates and a simplified process.

INSURANCE PROTECTION

Peace of mind coverage
Through FS Insurance Brokers, we help communities and high-rises access comprehensive insurance programs and products for lower claims frequency through proven risk management practices.

FirstService Financial cash management and treasury program

FirstService Financial provides FirstService Residential clients with banking solutions to streamline and monitor risk. Our dedicated, in-house team of financial professionals provides a full range of cash management, treasury and investment solutions that help our clients navigate the complex association banking landscape.

- **Account onboarding and maintenance:** We assist in opening and administering our clients' bank accounts to help provide accuracy and eliminate confusion.
- **Resident payment solution:** We provide our clients with an integrated and enhanced receivables solution that is tailored for the condominium association industry.
- **Vendor payables solution:** Our streamlined payables platform is a fully integrated accounting system solution that captures vendor invoices, allows property managers to review and approve invoices, and issues vendor payments.

OPTIMIZE

- **Investment:** With billions of dollars in administered funds across North America, FirstService Financial leverages our scale to help eliminate unnecessary bank fees while providing competitive interest rates.

MONITOR

- **Deposit security:** Through deposit insurance, diversification programs, and quarterly financial reviews of our banking partners, we help protect the safety and security of our clients' funds.
- **Fraud prevention:** In addition to our internal fraud monitoring technology and protocols, our banking partners are at the leading-edge of fraud prevention and detection.

Compensation

FirstService Financial receives compensation from partner financial institutions for our assistance in the development, placement, service, and maintenance of our banking programs. Any compensation received by FirstService Financial is paid directly by participating financial institutions.

FirstService Financial lending program

Funding major property expenses, such as capital improvements, can be a challenge, especially when reserves are limited. FirstService Financial's team of lending specialists and their expert guidance have facilitated billions in customized community lending, leveraging our well-established relationships with qualified lenders to deliver immediate and cost-efficient access to transformative funding.

Property lending specialists: Our team supports transactions of all sizes and manages the full lending process, from analysis and underwriting to negotiation, documentation, closing, and funding.

By combining national reach with capital markets expertise, we deliver competitive rates and flexible terms tailored to the needs of each community and high-rise.

Solutions that simplify

- Expertise in underwriting common interest community and high-rise loans
- Strong relationships with regional and national lending partners
- Managing the full process of facilitating the loan closing
- Flexible and creative financing solutions

Compensation

FirstService Financial will receive a placement fee, paid by the borrower at closing, calculated as a percentage of the closed loan amount. Participation in our lending program is optional, and clients are free to accept or reject any lending proposal generated by FirstService Financial.

FirstService Financial insurance program

Licensed agency: FS Insurance Brokers is a fully licensed insurance broker. FS Insurance Brokers dutifully follows the laws set out by all regulatory bodies, act ethically, and in our clients' best interests.

Expertise: Our team has the skills and expertise to help your community or high-rise obtain the best product at the most competitive price. We currently support and guide the placement of insurance for thousands of condominiums and homeowners' associations across North America.

Education: Insurance is a complex financial product. Our clients rely on us as trusted advisors to provide them with guidance and education resources. This does not only occur during the renewal process but is ongoing. We do not give soundbites or dinner conversations; we empower our clients to make the right business decisions to fulfill their fiduciary responsibilities.

Transparency: FS Insurance Brokers operates openly and transparently. A disclosure statement is provided to our clients concerning our partnership with broker partners and our relationship with FirstService Residential. We remain steadfast in continuing this ethical practice and being a resource to our clients.

Renewal timing: FS Insurance Brokers works closely with your property manager to bring timely delivery of your renewal terms. Renewal data is submitted as early as possible to negotiate with carriers and provide renewal terms.

FS Insurance Brokers was founded over 30 years ago to create value through a dedicated team of licensed insurance professionals focused on communities and high-rises managed by FirstService Residential.

FirstService Financial insurance program

Co-brokering: FS Insurance Brokers partners with our broker partners, who are leaders in the community and high-rise insurance markets. FS Insurance Brokers co-brokers each placement with our broker partners by assisting with gathering the required information and marketing each renewal to deliver favorable terms and pricing.

Commission: Commission is how brokers are remunerated for their work, and FS Insurance Brokers earns a commission like any other licensed broker. Commissions are set and paid by the carrier to the broker as a percentage of the premium and are not an additional fee over and above the premium amount. No broker earns more commission from a carrier, nor is more commission paid if there are multiple brokers supporting the placement.

Value: FS Insurance Brokers reinvests into its program by offering risk management, claims handling tools and education. As a result, we have lowered the frequency and severity of claims across our portfolio and made FirstService Residential managed properties more attractive to carriers to provide better rates and coverages. This risk management-based approach has driven our portfolio's loss ratio to be 20% lower than the marketplace which translates into long-term premium savings.

FirstService Risk Management

FirstService Risk Management is a suite of risk management programs developed by FS Insurance Brokers to serve residents of communities and high-rise properties managed by FirstService Residential. Designed to help residents proactively manage risk and mitigate potential losses, these programs address key exposure areas unique to multi-unit residential properties. Collectively, they provide residents with practical tools to better manage financial, property, and operational risks.

Water Detection Solutions

Our water detection solutions are designed to help reduce water damage and the severity of insurance claims across multi-unit residential properties. These solutions are structured to account for each community or high-rise's unique building characteristics, infrastructure, and budgetary considerations. This includes water-detection sensors that issue alerts and notifications when a water event is detected. Sensors may be installed in residential units, common areas, and mechanical rooms. Collectively, these tools and technologies support early detection, help limit damage, protect building assets, and provide flexible options for managing water-related risks.

Resident Insurance

Our resident insurance solution simplifies the process of obtaining, renewing, or comparing coverage options. Designed to demystify the complex world of insurance, it provides residents nationwide with convenient access to competitive coverage. Whether it's time for your annual renewal or you're simply looking for better rates, this service delivers quotes from top national insurers for home, auto, and additional coverage.

Event/Vendor Insurance

Our event/vendor insurance solution streamlines the process of obtaining specialty insurance for management teams, board members, residents, and select vendors. The platform is designed to address insurance needs not typically covered by standard General Liability policies, including coverage for special events, room rentals, and certain vendor activities.

Compensation

FS Insurance Brokers receives compensation from participating partners for its role in developing, administering, and providing ongoing support for its risk management programs. Such compensation varies by program and partner and includes commissions or fees.