

MCAN MORTGAGE CORPORATION

Amended and Restated Dividend Reinvestment Plan

February 18, 2002

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AMENDED AND RESTATED
DIVIDEND REINVESTMENT PLAN

Purpose

The MCAN Mortgage Corporation Amended and Restated Dividend Reinvestment Plan (the “**Plan**”) enables eligible holders of common shares (“**Common Shares**”) of MCAN Mortgage Corporation (“**MCAN**”) to invest cash dividends, as and when declared and paid on Common Shares, to acquire additional Common Shares of MCAN. Common Shares purchased under the Plan will, at the discretion of MCAN, be purchased directly from treasury or on the open market, by an agent (the “**Agent**”) who acts on behalf of participants (“**Participants**”) under the Plan. If Common Shares are purchased under the Plan from treasury, the proceeds will be used by MCAN for general corporate purposes.

Advantages

Under the Plan:

- A Participant may purchase additional Common Shares with cash dividends (net of withholding taxes) paid on the Common Shares which are held by the Participant or held in a Participant’s account maintained pursuant to the Plan.
- No commissions, service charges or brokerage fees are payable by Participants in connection with the issuance of Common Shares from treasury to Participants under the Plan.
- Full investment of Participants’ funds is possible under the Plan because the Plan permits fractions of shares as well as whole shares to be purchased and held for Participants.
- Dividends in respect of shares purchased under the Plan will be held by the Agent for the Participants’ accounts and automatically invested under the Plan in additional Common Shares of MCAN.

Administration

Computershare Trust Company of Canada acts as the Agent for the Participants under the Plan. MCAN pays over to the Agent on behalf of the Participants all cash dividends paid on their Common Shares (less any applicable withholding taxes). The Agent uses such funds to purchase Common Shares for the Participants. If Common Shares are purchased on the open market, the services of a registered broker who is independent for the purposes of applicable stock exchange rules, will be used. Common Shares purchased under the Plan will be registered in the name of the Agent, as agent for Participants in the Plan. Should Computershare Trust Company of Canada cease to act as Agent under the Plan, another agent will be designated by MCAN, in its discretion.

Eligibility

All Canadian resident holders of Common Shares are eligible to join the Plan at any time.

Shareholders resident in the United States of America or its territories or possessions may not participate in the Plan because the Common Shares of MCAN are not registered under the *Securities Act of 1933* of the United States of America.

Other shareholders resident outside Canada may participate in the Plan unless prohibited by the law of the country in which they reside. Such shareholders will generally be subject to Canadian withholding tax on any dividends paid to them, and only the net amount after withholding of tax may be reinvested under the Plan. Shareholders resident outside of Canada must demonstrate their eligibility to participate in the Plan to the satisfaction of the Agent.

Upon ceasing to be eligible to participate in the Plan, a Participant shall forthwith notify the Agent in writing and terminate his or her participation in the Plan. The right to participate in the Plan may not be transferred by a Participant.

Enrolment

Any eligible registered shareholder may become a participant in the Plan (a “**Registered Participant**”) at any time by completing an Authorization Form and returning it to the Agent. Beneficial owners of Common Shares of MCAN must make arrangements with the financial institution or stock brokerage through which they hold their Common Shares to become a participant in the Plan (a “**Beneficial Participant**”). Once a Registered Participant or a Beneficial Participant has enrolled in the Plan, participation continues automatically unless terminated in accordance with the terms of the Plan.

An Authorization Form may be obtained at any time upon written request addressed to the Agent.

A registered shareholder’s completed Authorization Form or indication of a beneficial shareholder’s interest in becoming a Beneficial Participant through CDS must be received by the Agent prior to a dividend record date, in order for that cash dividend to be invested under the Plan on the relevant dividend payment date.

Once a Participant is enrolled, MCAN will forward to the Agent all of the Participant’s cash dividends on Common Shares (less any applicable withholding taxes) and direct the Agent to invest such amounts in Common Shares of MCAN for the benefit of the Participant. The Agent will apply such funds received under the Plan to the purchase of additional Common Shares under the Plan.

No interest will be paid to Participants on any funds held for investment under the Plan.

Price of Common Shares

The price of Common Shares purchased under the Plan will depend on whether, at the discretion of MCAN, the shares are purchased on the open market or directly from MCAN’s treasury. When Common Shares are purchased on the open market, the price will be the average

weighted cost, including any brokerage commissions, of all Common Shares so purchased for Participants by the Agent. Common Shares purchased on the open market under the Plan are purchased, at the discretion of MCAN, in the period commencing on the first business day following the dividend payment date and concluding on the next dividend record date.

The subscription price of Common Shares purchased from treasury under the Plan will be the weighted average of the trading price for Common Shares on The Toronto Stock Exchange for twenty (20) trading days preceding the relevant dividend payment date (the “**Average Market Price**”).

Each Registered Participant’s account will be credited with that number of Common Shares purchased for the Participant, including fractions computed to three decimal places, which is equal to the amounts to be invested for each Registered Participant divided by the applicable purchase price. In the case of Beneficial Participants, this account will be maintained by The Canadian Depository for Securities Limited (“**CDS**”) or the Beneficial Participant’s financial institution or stock brokerage holding Common Shares as registered shareholder.

Costs

There are no commissions, service charges or brokerage fees payable by Participants under the Plan, except where purchases of Common Shares under the Plan are made on the open market. Such purchases are made through registered brokers whose fees are included in determining the average weighted cost to Participants of Common Shares so purchased. All other administrative costs of the Plan, including the fees and expenses of the Agent, are borne by MCAN.

Reports to Registered Participants

An account will be maintained by the Agent for each Registered Participant in the Plan. A statement will be mailed to each Registered Participant as soon as practicable following each dividend payment date. These statements are a Registered Participant’s continuing record of purchases and should be retained for income tax purposes. In addition, each Registered Participant will be sent annually the appropriate information for tax reporting purposes. Beneficial Participants should consult their financial institution or stock brokerage in order to determine the type of reporting they will receive.

Certificates for Common Shares

Common Shares purchased under the Plan will be registered in the name of the Agent, as agent for Participants in the Plan, and certificates for such shares will not be issued to Registered Participants unless specifically requested.

A Registered Participant may, upon written request to the Agent, have a Common Share certificate issued in the Registered Participant’s name for any number of whole shares held for the Registered Participant’s account under the Plan even though the Participant is not terminating participation in the Plan. In the event that a request for a certificate is received by the Agent on or after a dividend record date but before the related dividend payment date, the requested action will not be taken until after such dividend payment date. Normally a certificate will be sent to a Registered Participant within two weeks of receipt by the Agent of a Registered Participant’s

written request. Any remaining whole shares and fractions of a share will continue to be held for the Registered Participant's account under the Plan.

Each Registered Participant's account under the Plan is maintained in the name in which the Registered Participant entered the Plan.

Beneficial Participants should consult their financial institution or stock brokerage in order to obtain certificates for Common Shares purchased on their behalf under the Plan.

Shares held by the Agent for a Participant under the Plan may not be pledged, sold or otherwise disposed of by the Participant while so held.

Termination of Participation

Participation in the Plan may be terminated by a Registered Participant at any time by giving written notice to the Agent or by a Beneficial Participant by giving notice to its financial institution or stock brokerage through which its Common Shares are held.

When a Registered Participant terminates participation in the Plan, the Registered Participant will receive a certificate for the whole Common Shares held for such Registered Participant's account and a cash payment for any fraction of a Common Share so held. When a Beneficial Participant terminates participation in the Plan, or upon termination of the Plan by MCAN, no certificates will be issued but the Participant's account with his or her financial institution or stock brokerage will be credited with the appropriate number of whole shares and a cash payment will be made for any fraction of a share. Any fractional share interest will be paid in cash calculated on the basis of the closing price of the Common Shares on The Toronto Stock Exchange on the last day on which Common Shares of MCAN are traded on such exchange prior to the effective date of termination. If notice of termination is received by the Agent between a dividend record date and the dividend payment date, the Participant's account will not be closed until after that dividend payment date.

Participation in the Plan will be terminated automatically upon receipt by the Agent of a written notice of the death of a Registered Participant. A certificate for whole Common Shares held for the deceased Registered Participant's account will be issued by the Agent in the name of the deceased Registered Participant or in the name of the estate of the deceased Registered Participant, as appropriate, and the Agent will send such certificate and a cash payment for any fraction of a share calculated in accordance with the previous paragraph to the legal representative of the deceased Registered Participant. No such termination will be made upon the death of a Beneficial Participant unless appropriate requests are made through such Participant's financial institution or stock brokerage.

Rights Offering

In the event MCAN makes available to holders of Common Shares rights to subscribe for additional Common Shares or other securities, rights certificates will be issued by MCAN to each Registered Participant (including CDS and financial institutions and stock brokerages holding Common Shares as registered holder on behalf of Beneficial Participants) in respect of the Common Shares held for a Registered Participant's account under the Plan on the record date for such rights issue.

Stock Splits and Stock Dividends

If Common Shares of MCAN are distributed pursuant to a stock split or stock dividend on Common Shares, such Common Shares received by the Agent for Participants under the Plan will be retained by the Agent and credited by the Agent proportionately to the accounts of the Registered Participants (including CDS and financial institutions and stock brokerages holding Common Shares as registered holder on behalf of Beneficial Participants) in the Plan.

Shareholder Voting

Whole Common Shares held for a Registered Participant's account under the Plan will be voted in accordance with the instructions of the Registered Participant given on a form to be furnished to the Registered Participant by the Agent. Shares for which instructions are not received will not be voted. Beneficial Participants wishing to vote Common Shares held for their benefit under the Plan should consult their financial institution or stock brokerage.

Responsibilities of MCAN and the Agent

Neither MCAN nor the Agent shall be liable for any act or for any omission to act in connection with the operation of the Plan including, without limitation, any claims for liability:

- (a) arising out of failure to terminate a Registered Participant's account upon such Registered Participant's death prior to receipt of notice in writing of such death; and
- (b) with respect to the prices at which shares are purchased for the Participant's account and the times such purchases are made.

Registered Participants and Beneficial Participants should recognize that neither MCAN nor the Agent can assure a profit or protect them against a loss of the shares purchased under the Plan. No assurance is given that dividends will be declared in any particular amount or at all on the Common Shares.

Amendment, Suspension or Termination of the Plan

MCAN reserves the right to amend, suspend or terminate the Plan at any time. All Registered Participants (including CDS and financial institutions and stock brokerages holding Common Shares as registered holder on behalf of Beneficial Participants) will be sent written notice of any such amendment, suspension or termination. In the event of termination of the Plan by MCAN, certificates for whole Common Shares held for Registered Participants' accounts (including CDS and financial institutions and stock brokerages holding Common Shares as registered holder on behalf of Beneficial Participants) under the Plan and cash payments for any fraction of a share will be remitted with due dispatch by the Agent to the Registered Participants (including CDS and financial institutions and stock brokerages holding Common Shares as registered holder on behalf of Beneficial Participants). In the event of suspension of the Plan by MCAN, no investment will be made by the Agent on the dividend payment date immediately following the effective date of such suspension. Any Common Share dividends subject to the Plan and paid after the effective date of such suspension will be remitted

by the Agent to the Registered Participants (including CDS and financial institutions and stock brokerages holding Common Shares as registered holder on behalf of Beneficial Participants).

Rules and Regulations

MCAN, in conjunction with the Agent, may from time to time adopt rules and regulations to facilitate the administration of the Plan. MCAN also reserves the right to regulate and interpret the Plan as it deems necessary or desirable to ensure the efficient and equitable operation of the Plan.

Compliance with Laws

The operation and implementation of the Plan is subject to compliance with all applicable legal requirements, including obtaining all appropriate regulatory approvals and exemptions from registration and prospectus requirements, and the requirements of any stock exchange on which the Common Shares are listed. MCAN may limit the Common Shares issuable under the Plan in connection with discretionary exemptive relief relating to the Plan granted by any securities regulatory authority.

Notices

All notices required to be given under the Plan shall be mailed to each Registered Participant (including CDS and financial institutions and stock brokerages holding Common Shares as registered holder on behalf of Beneficial Participants) at the address shown on the records of the Agent or at a more recent address as furnished by the Registered Participant.

Notices to the Agent shall be addressed as follows:

Computershare Trust Company of Canada
1500 University Street
Suite 700
Montreal, Quebec
H3A 3S8

Effective Date of this Plan

This amended and restated Plan becomes effective February 18, 2002.

Taxes

Participants are urged to consult with their tax advisors in their country of residence as to the tax consequences of participating in the Plan in their particular circumstances.

The reinvestment of dividends on Common Shares does not relieve the Participant of any liability for income tax which may have been otherwise payable on such dividends. Participants resident in Canada will be treated for tax purposes as having received a dividend on each dividend payment date equal to the full amount of the cash dividend paid on that date, and will be required to include the appropriate amount in income.

Participants resident outside Canada will generally be subject to Canadian withholding tax on cash dividends on Common Shares held by them, directly or by the Agent for their account.