

Rifco Renews Securcor Trust Securitization Facility for \$50M

Red Deer, Alberta, July 14, 2020: Rifco Inc. (TSXV: RFC) (“Rifco” or the “Company”) the largest publicly-traded alternative auto finance company in Canada, is pleased to announce that it has received a funding facility renewal from Securcor Trust for \$50M. Loans previously securitized are not considered as part of the utilization of the new facility limit.

Access to strong and stable funding with appropriate pricing is key to leveraging Rifco’s origination and servicing platform. The Company has five funding facilities representing nine lenders. Each facility has a unique structure and framework, and competitive cost of funds. Appropriate cost of funds allows Rifco to offer competitively-priced loans to customers across a greater spectrum of credit quality while maintaining an adequate credit spread (financial revenue minus total credit losses). The current funding facilities total \$160M with remaining funding availability of nearly \$119M. The existing facilities provide significant capacity for growth and will allow Rifco to get more deserving Canadians into automobiles while achieving desired growth and profitability objectives.

Securcor is the Company’s longest standing funder. Securcor and Rifco are now entering the 16th year of their funding relationship. The credit facility has grown from an initial annual facility limit of \$20 million to its current annual limit of \$50 million as a result of a good working relationship and the financial strength of Rifco. In total, Rifco has securitized over \$437 million in loans through the Securcor facility. In addition, the facility provides funding with fixed interest rates and terms matched to the underlying loans, reducing interest rate and liquidity risk. The Company must continue to meet certain financial covenants under the renewal.

The renewed funding facility continues under the Master Agreement originally executed on March 31, 2005. The renewed facility will expire on July 31, 2021. The renewal terms and rates are comparable to those previously received. Rifco has not requested nor received any repayment accommodation from Securcor. The new facility no longer required Rifco to meet an EBITDA covenant. The covenant change was retroactive to March 31, 2020.

Rifco employs a balanced approach for loan portfolio funding of equity, revolving credit, subordinated unsecured debentures, and loan securitization facilities.

About Securcor Corporation (Administrative Agent for Securcor Trust)

Securcor Corporation is a member of the Securcor Financial Group. Securcor provides customized securitization and structured financing programs for the automotive, equipment and consumer loan and leasing industries, and has originated more than \$5B in auto financing, equipment leases and consumer loans since its inception.

Securcor facilitates the structuring and distribution of securities and through its subsidiary, Spartan Services Inc., provides portfolio tracking, reporting, audit and compliance management services, with a particular emphasis in the automotive and equipment industries. The address of the Securcor website is www.securcor.com.



About Rifco

Rifco Inc. is focused on being the best alternative auto finance company through its wholly owned subsidiary Rifco National Auto Finance Corporation. Our mission is to help deserving Canadians own automobiles. Rifco is Canada's largest publicly traded alternative auto finance company.

Rifco seeks to create sustainable long-term competitive advantages through personalized partnerships with dealers, innovative products, the use of industry-leading data and analytics, and leading collections practices. Rifco's corporate culture fosters employees that are highly engaged, innovative, and performance driven.

Rifco is committed to creating value for all stakeholders through profitable growth and predictable credit performance, while pursuing its long-term vision of \$500M in annual loan Originations.

The common shares of Rifco Inc. are traded on the TSX Venture Exchange under the symbol "RFC". There are 21.60 million shares (basic) outstanding and 23.17 million (fully diluted) shares.

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