



B #:	0693-13
Date:	May 6, 2013
To:	All Participants
Category:	Dividends
From:	International Services
Attention:	Operations, Reorg & Dividend Managers, Partners & Cashiers
Subject:	Tax Relief - Country: Canada First Service Corporation PFD CONTRA CUSIP 337991517 Record Date: 05/01/2013 Pay Date: 05/03/2013 Original CUSIP 33761N208 EDS Cut-Off: 05/07/13

Please see the attached details on the accrued interest payable on the cash portion of the redemption. DTCC will open the EDS window for elections on 05/06/13 at 6:00 AM (EST) and close on 05/07/13 at 8:00 PM (EST). Please make your elections during this period of time. This issue will allocate on 05/08/13.

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To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of federal tax issues contained or referred to herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code; and (b) as a matter of policy, DTC does not provide tax, legal or accounting advice and accordingly, you should consult your own tax, legal and accounting advisor before engaging in any transaction.

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Non-Confidential

FIRSTSERVICE CORPORATION



**NOTICE OF
REDEMPTION & CONVERSION
TO ALL REGISTERED HOLDERS OF OUTSTANDING
7% CUMULATIVE PREFERENCE SHARES, SERIES 1**

To: All Registered Holders of Outstanding
7% Cumulative Preference Shares, Series 1
in the capital of FirstService Corporation

NOTICE IS HEREBY GIVEN that, subject to the terms and conditions contained herein, FirstService Corporation (“**FirstService**”) is calling, partially by redemption and the balance by conversion, all of the outstanding 7% Cumulative Preference Shares, Series 1 (the “**Preferred Shares**”) in the capital of FirstService, in accordance with Article 3 of the rights, privileges, restrictions and conditions attaching thereto set forth in FirstService’s articles, as amended (the “**Preferred Share Articles**”), as follows:

- (i) on May 3, 2013 (the “**Redemption Date**”), FirstService will redeem a total of 1,569,190 Preferred Shares, representing 30.0% of the outstanding Preferred Shares on the date hereof, on payment for each Preferred Share to be redeemed of US\$25.1582 (the “**Redemption Price**”) (such amount being equal to US\$25.00 plus the further sum of US\$0.1582 representing all accrued and unpaid dividends per Preferred Share to, but excluding, the Redemption Date). The amount distributed for each Preferred Share will be reduced by any tax required to be deducted or withheld by FirstService or its agent. See Income Tax Considerations below. As less than all of the outstanding Preferred Shares are to be redeemed by FirstService, the particular Preferred Shares to be redeemed will be selected on a *pro rata* basis (disregarding fractions); and
- (ii) on May 3, 2013, immediately following the redemption by FirstService of the 1,569,190 Preferred Shares described above (the “**Conversion Date**”), FirstService will convert all then remaining outstanding Preferred Shares into fully paid, non-assessable and freely tradable subordinate voting shares (the “**Subordinate Voting Shares**”) in the capital of FirstService on the basis that the Preferred Shares of each holder so called for conversion will be converted into (subject to the exception as to fractions set out below) that number (the holder’s “**Conversion Number**”) of Subordinate Voting Shares as is equal to the product of:
 - (a) the number obtained when:
 - (1) the Redemption Price (less any tax required to be deducted or withheld by FirstService)is divided by
 - (2) 95% of the Market Price (the “**Weighted Price**”), where “**Market Price**” means the weighted average trading price of the Subordinate Voting Shares traded on The NASDAQ Stock Market (or its successor) for the 20 consecutive trading days ending on the fourth day (if not a trading day, the immediately preceding trading day) prior to the Conversion Date (being April 29, 2013),

with the result of that calculation being rounded upward to the nearest 1/100 of a Subordinate Voting Share; and

- (b) the number of Preferred Shares of such holder being converted.

In any case where a fraction of a Subordinate Voting Share would otherwise be issuable on conversion of one or more Preferred Shares, FirstService will adjust such fractional interest by payment by cheque in an amount equal to the then market price of such fractional interest computed on the basis of the Weighted Price. See also Income Tax Considerations below.

Registered Shareholders – Surrender of Certificates; Letter of Transmittal

In order to receive the Redemption Price (in connection with the partial redemption of Preferred Shares) and the Subordinate Voting Shares (in connection with the conversion of Preferred Shares), each registered holder must surrender to Equity Financial Trust Company (the “**Agent**”), at one of the addresses indicated below, the certificate or certificates representing such Preferred Shares together with a letter of transmittal (the “**Letter of Transmittal**”) in the form enclosed, properly completed and duly executed, or a manually executed facsimile thereof. **The method of delivery of certificates representing the Preferred Shares is at the option and risk of the holder of the Preferred Shares. If postal service is used, registered mail, return receipt requested with proper insurance is recommended for your protection.**

By Mail, Registered Mail, Hand or Courier:

Equity Financial Trust Company
200 University Avenue, Suite 400
Toronto, Ontario, Canada M5H 4H1
Attention: Corporate Actions Department

IF YOU ARE NOT A REGISTERED HOLDER OF PREFERRED SHARES, YOU SHOULD CONTACT YOUR BROKER, INVESTMENT DEALER, BANK, TRUST COMPANY OR OTHER NOMINEE FOR ASSISTANCE IN CONNECTION WITH THE REDEMPTION AND CONVERSION OF YOUR PREFERRED SHARES.

Payment of Redemption Price

On the Redemption Date, FirstService will deposit or will cause to be deposited with the Agent an amount of money in same day funds sufficient to pay the Redemption Price for the 1,569,190 Preferred Shares which are to be redeemed on that date (the “**Aggregate Redemption Amount**”).

In accordance with the Preferred Share Articles, upon deposit by FirstService into a special account with the Agent of the Aggregate Redemption Amount in trust for the holders of Preferred Shares, the Preferred Shares in respect of which such deposit shall have been made shall be deemed to be redeemed on the Redemption Date and the rights of each holder thereof shall be limited to receiving, without interest, his, her or its proportionate part (after taking into account any amounts deducted or withheld on account of tax in respect of such holder) of the Aggregate Redemption Amount so deposited upon presentation and surrender of the certificate or certificates representing the Preferred Shares so redeemed. From and after the Redemption Date, the holders of Preferred Shares called for redemption herein shall cease to be entitled to dividends or to exercise any of the rights of holders of Preferred Shares in respect of such shares except the right to receive therefor the Redemption Price. Any interest allowed on such deposit shall belong to FirstService.

Remittance of the Redemption Price will be made as soon as possible on or after the Redemption Date upon presentation and delivery of the certificate or certificates representing the Preferred Shares being redeemed in accordance with the instructions in the Letter of Transmittal, at the principal offices of the Agent noted above. Subject to applicable law, redemption monies which remain unclaimed (whether so on deposit or otherwise) for a period of six years from the Redemption Date may be reclaimed and used by FirstService for its own purposes.

Delivery of Subordinate Voting Shares

General

On and after the Conversion Date, FirstService will deliver or cause to be delivered to each holder of Preferred Shares so called for conversion a certificate representing the whole number of the holder's Conversion Number of Subordinate Voting Shares on presentation and delivery by the holder at the principal office of the Agent, noted above, of the certificate or certificates representing the Preferred Shares so called for conversion and any payment with respect to a fraction of a Subordinate Voting Share as contemplated above.

FirstService will deliver or cause to be delivered certificates representing such Subordinate Voting Shares registered in the name of the registered holder of the Preferred Shares to be converted unless the Agent receives from such holder, on or before the tenth day prior to the Conversion Date, at the principal office for the Agent indicated below, written notice in a form and executed in a manner satisfactory to the Agent directing FirstService to register such Subordinate Voting Shares in some other name or names (the "**Transferee**") and stating the name or names (with addresses) accompanied by payment to the Agent of any transfer tax that may be payable by reason thereof and a written declaration of such matters as may be required by law in order to determine the entitlement of such Transferee to hold such Subordinate Voting Shares.

The Preferred Shares to be converted herein shall be converted effective on the Conversion Date. From and after the Conversion Date, the holders of Preferred Shares so converted shall cease to be entitled to dividends on such Preferred Shares or to exercise any of the rights of holders of Preferred Shares in respect of such shares except the right to receive therefor a certificate representing the whole number of the holder's Conversion Number of Subordinate Voting Shares and any payment with respect to a fraction of a Subordinate Voting Share as contemplated above, and the holder shall become a holder of Subordinate Voting Shares of record, effective on the Conversion Date.

Non-Residents of Canada

In respect of the conversion of such of the Preferred Shares into Subordinate Voting Shares as is contemplated herein, FirstService is not required to (but may at its option) issue Subordinate Voting Shares to any person whose address is, or whom FirstService or the Agent has reason to believe is a resident of any jurisdiction, outside of Canada to the extent that such issue would require compliance by FirstService with the securities or other laws of such jurisdiction. In the event that FirstService so elects to not issue Subordinate Voting Shares to any holder of Preferred Shares, FirstService will pay to such holder, in lieu of the Subordinate Voting Shares to which the holder would otherwise be entitled to receive upon conversion of such holder's Preferred Shares herein, an amount in cash equal to the product of: (a) the Market Price; and (b) the Conversion Number of the Subordinate Voting Shares to which the holder would otherwise be entitled to receive upon the conversion of such holder's Preferred Shares as contemplated herein (less any tax required to be deducted or withheld by FirstService). In the event that

FirstService makes any such payment in respect of the holder's Preferred Shares, such Preferred Shares will be considered to have been redeemed, rather than converted.

Conditions of the Partial Redemption and Conversion

In approving the partial redemption and conversion of the Preferred Shares as outlined herein, the board of directors of FirstService reserved the right to terminate the redemption and/or conversion process at any time prior to Redemption Date and/or Conversion Date, as applicable, for any reason in its sole discretion, including an adverse change in the trading price of the Subordinate Voting Shares. Any such termination of the partial redemption and/or conversion of the Preferred Shares by the board of directors of FirstService will be followed promptly by public announcement thereof. Without limiting the manner in which any public announcement may be made, FirstService shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by issuing a press release through GlobeNewswire.

Income Tax Considerations

A summary of the principal Canadian and United States federal income tax considerations generally applicable to a holder of Preferred Shares being partially redeemed and converted is annexed hereto. This attached summary does not address any income or other tax consequences in any other jurisdictions. **Holders of Preferred Shares should consult their own tax advisors for advice with respect to the tax consequences to them of the partial redemption and conversion of their Preferred Shares outlined herein.**

Non-Registered Shareholders; Additional Information

Holders whose Preferred Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in surrendering their Preferred Shares for redemption and conversion as outlined herein and delivering the accompanying Letter of Transmittal to that nominee. **IF YOU ARE NOT A REGISTERED HOLDER OF PREFERRED SHARES, THE ACCOMPANYING LETTER OF TRANSMITTAL SHOULD NOT BE DELIVERED TO THE AGENT.**

If you have questions or desire additional copies of any of the documents, you may call or email FirstService, Telephone: (416) 960-9500 and Email: info@firstservice.com.

Dated: April 3, 2013
Toronto, Ontario

Income Tax Considerations

FirstService believes that the following is a fair summary of the principal Canadian and United States federal income tax considerations generally applicable to a holder of Preferred Shares (a “**Holder**”). This summary is based upon the current provisions of the *Income Tax Act* (Canada) (the “**Tax Act**”) and the United States *Internal Revenue Code of 1986*, as amended (the “**Code**”), including the respective Regulations thereunder, and is not exhaustive of all possible income tax considerations and does not take into account or anticipate any changes in the law, whether by way of legislative, governmental or judicial decision or action, or in the administrative practices or assessing policies of the Canada Revenue Agency or the United States Internal Revenue Service, nor does it take into account other federal or any provincial, state, territorial or foreign tax laws or considerations, which may differ significantly from the tax considerations described herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. In particular, FirstService has not requested or obtained any tax rulings from any applicable tax authority or any formal tax opinions from its advisors as to the matters discussed below. Accordingly, Holders should consult their own tax advisors with respect to their particular circumstances.

Canadian Federal Income Tax Considerations

Residents of Canada

The following summarizes the principal Canadian federal income tax considerations to a Holder who, for purposes of the Tax Act, is, or is deemed to be, at all relevant times, a resident of Canada, who deals at arm’s length with FirstService, holds his or her Preferred Shares as capital property and is not affiliated with FirstService.

This summary is not applicable to (i) a Holder that is a “specified financial institution”, (ii) a Holder an interest in which is a “tax shelter investment”, (iii) a Holder that is, for purposes of certain rules (referred to as the mark-to-market rules) applicable to securities held by financial institutions, a “financial institution”, or (iv) a Holder that reports its “Canadian tax results” in a currency other than Canadian currency, each as defined in the Tax Act. Such holders should consult their own tax advisors.

Redemption of Preferred Shares

A Holder whose Preferred Shares are redeemed by FirstService will be deemed to receive a taxable dividend on a separate class of shares comprising the Preferred Shares so redeemed, equal to the amount paid to redeem such shares, in excess of their paid-up capital for income tax purposes (which is a nominal amount). As a result, regardless of their adjusted cost base, a Holder will be deemed to receive a dividend equal to substantially the entire amount paid to redeem such shares, converted into Canadian dollars at the applicable exchange rate as at the date of such redemption.

Any dividend deemed to be received by a Holder who is an individual (including a trust) will generally be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received by Canadian resident individuals from a taxable Canadian corporation, including the enhanced gross-up and dividend tax credit if the dividend recipient receives notice from FirstService designating the dividend as an “eligible dividend”. There may be limitations on the ability of a corporation to designate dividends as eligible dividends. FirstService intends to designate all deemed dividends arising as a result of the redemption of Preferred Shares as eligible dividends for these purposes.

Subject to the application of subsection 55(2) of the Tax Act, as described below, any dividend deemed to be received by a Holder that is a corporation will be included in computing such Holder's income as a dividend, and will ordinarily be deductible in computing its taxable income. To the extent that such a deduction is available, private corporations (as defined in the Tax Act) and certain other corporations may be liable to pay refundable tax under Part IV of the Tax Act at a rate of 33 $\frac{1}{3}$ % of the amount of the deemed dividend.

Under subsection 55(2) of the Tax Act, a Holder that is a corporation may be required to treat all or a portion of any deemed dividend that is deductible in computing its taxable income as proceeds of disposition, and not as a dividend, if the result of the deemed dividend is to effect a significant reduction in the portion of the capital gain that, but for the dividend, would have been realized on a disposition of any share immediately before the deemed dividend. Subsection 55(2) does not apply, however, to the portion of the dividend, if any, that is subject to tax under Part IV of the Tax Act provided that the tax is not refunded under circumstances described in subsection 55(2). The application of subsection 55(2) involves a number of factual considerations that differ for each Holder and Holders to whom it may be relevant are urged to consult their own tax advisors concerning its application, having regard to their particular circumstances.

The Preferred Shares are "taxable preferred shares" as defined in the Tax Act. The terms of the Preferred Shares require FirstService to make the necessary election under Part VI.1 of the Tax Act so that corporate Holders will not be subject to tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Preferred Shares.

The redemption also results in a disposition of the Preferred Shares, and as substantially the entire amount paid on the redemption will be deemed to be received as a dividend (subject to the comments above) the proceeds of disposition of the Preferred Shares so redeemed is expected to be a nominal amount. A Holder will realize a capital gain (or capital loss) on the disposition of the Preferred Shares so redeemed equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Holder of such shares. The amount of any capital loss realized on the disposition by a corporate Holder, or by a partnership or trust of which a corporation is a member or beneficiary, may, to the extent and under the circumstances specified in the Tax Act, be reduced by the amount of dividends received or deemed to be received on the Preferred Shares (including dividends deemed to be received as a result of the redemption).

Conversion of Remaining Preferred Shares

The exercise by FirstService of the right to convert the remaining Preferred Shares which are outstanding after the redemption into Subordinate Voting Shares will be deemed not to constitute a disposition and will not give rise to a capital gain or capital loss to the Holder. The cost to the Holder of the Subordinate Voting Shares issued on such conversion will, subject to averaging rules contained in the Tax Act, be equal to the adjusted cost base to such Holder of such Preferred Shares immediately before such conversion. The Holder's adjusted cost base of the Preferred Shares will be allocated on a pro rata basis between the shares which are redeemed and the shares which are converted.

Pursuant to the current administrative practice of the Canada Revenue Agency, a Holder of Preferred Shares who receives cash not exceeding \$200 in lieu of a fractional share will have the option of recognizing the capital gain or capital loss arising on the disposition of the fractional share in computing the Holder's income for the taxation year in which the conversion occurs or, alternatively, of reducing the adjusted cost base of the Subordinate Voting Shares received at the time of the conversion by the amount of cash received by the Holder.

Non-Residents of Canada

A Holder who is not resident in Canada for purposes of the Tax Act will be subject to Canadian withholding tax at the rate of 25% of the amount deemed to be received as a dividend on the redemption of the Preferred Shares, subject to any applicable tax treaty. Under the Canada-United States Tax Convention, a Holder who is a “qualifying person” for purposes of the Convention will be subject to a withholding rate of 15% on the amount of the deemed dividend.

The Preferred Shares are not “taxable Canadian property” for purposes of the Tax Act and, as a result, a Holder who is a non-resident of Canada will not be subject to tax under the Tax Act in respect of any gain realized on the disposition of Preferred Shares, and will not be required to obtain a certificate of compliance under Section 116 of the Tax Act with respect to the disposition of Preferred Shares.

United States Federal Income Tax Considerations

The following summarizes the principal United States federal income tax considerations to a Holder (a “**U.S. Holder**”) who, for purposes of the Code, is, or is deemed to be, at all relevant times: (i) a citizen or resident of the United States; (ii) a corporation (or other entity treated as a corporation) created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate, the income of which is subject to U.S. federal income tax regardless of its source; or (iv) certain trusts. Furthermore, the summary assumes the U.S. Holder deals at arm’s length with FirstService and is not affiliated with FirstService.

This summary does not contain a detailed description of all the U.S. federal income tax consequences to the U.S. Holder in light of his or her particular circumstances and does not address the effects of any state, local or non-U.S. tax laws (or other U.S. federal tax consequences, such as U.S. federal estate or gift tax consequences). In addition, it does not describe the U.S. federal income tax consequences applicable to U.S. Holders subject to special treatment under the U.S. federal income tax laws, such as:

- dealers and traders in securities or foreign currencies;
- certain financial institutions;
- insurance companies;
- tax-exempt organizations;
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes;
- persons liable for alternative minimum tax; and
- U.S. Holders whose functional currency for U.S. federal income tax purposes is not the U.S. dollar.

U.S. Holders are urged to consult their own tax advisor regarding the particular consequences of the redemption and conversion of their Preferred Shares, including the applicability and effect of all U.S. federal, state, local and foreign tax laws.

Redemption of Preferred Shares

In most cases, the redemption of Preferred Shares should be treated as an ordinary dividend to a U.S. Holder for U.S. federal income tax purposes to the extent of FirstService’s earnings and profits in the year of redemption, without regard to its basis. Whether such redemption payment will in fact be treated as a dividend may depend on the specific circumstances and thus U.S. Holders are urged to consult their own tax advisors regarding the particular tax consequences of the redemption. A deduction for intercorporate dividends pursuant to Code §243 will not apply to this dividend equivalent amount.

FirstService should be treated as a “qualified foreign corporation” for U.S. federal income tax purposes. Thus, the deemed dividend resulting from the redemption of Preferred Shares should be eligible for “qualified dividend income” treatment under Code §1(h)(11)(B)(ii) for non-corporate U.S. Holders, taxed at capital gains rates. Whether the proceeds of redemption paid to a U.S. Holder will in fact be “qualified dividend income” may depend on his or her specific circumstances (such as the holding period of the Preferred Shares) and U.S. Holders are urged to consult their own tax advisor in this respect.

If the U.S. Holder disposes of all of his or her Preferred Shares and Subordinate Voting Shares in one transaction, the transaction should be treated as a sale of stock subject to the normal capital gains rules. U.S. Holders are urged to consult their own tax advisor concerning the treatment of the redemption of their of Preferred Shares as either a dividend or capital gain in their particular circumstances.

Conversion of Remaining Preferred Shares

The conversion of the Preferred Shares into Subordinate Voting Shares should be characterized as a recapitalization within the meaning of Code §368(a)(1)(E). Accordingly, the conversion should not give rise to a gain or loss to a U.S. Holder.

**REDEMPTION & CONVERSION OF
FIRSTSERVICE CORPORATION
7% CUMULATIVE PREFERENCE SHARES, SERIES 1
(the “Preferred Shares”)**

LETTER OF TRANSMITTAL

This form together with the share certificate(s) representing your Preferred Shares should be delivered or sent by registered mail to Equity Financial Trust Company (the “Agent”) at its office as indicated below. If you wish receipt of a cheque for your applicable redemption proceeds dated May 3, 2013 (the “Redemption/Conversion Date”) and a share certificate representing your applicable number of Subordinate Voting Shares of FirstService Corporation (“FirstService”) to be received on the conversion dated the Redemption/Conversion Date, as soon as practicable after the Redemption/Conversion Date by first class mail, postage prepaid, this Letter of Transmittal and the share certificate(s) representing your Preferred Shares should be received by the Agent by the Redemption/Conversion Date.

The undersigned hereby surrenders the following certificate(s) representing Preferred Shares, with certain of such Preferred Shares being: (a) partially redeemed at the price of US\$25.00 per share plus US\$0.1582 in accrued and unpaid dividends to, but excluding, the Redemption/Conversion Date; and (b) converted into fully paid, non-assessable and freely tradable Subordinate Voting Shares in the capital of FirstService, in each case, as set out in the Notice of Redemption & Conversion issued by FirstService dated April 3, 2013.

Certificate Number	Number of Preferred Shares	Registered in the Name of

STATUS AS U.S. HOLDER OF PREFERRED SHARES

(*TO BE COMPLETED BY ALL HOLDERS OF PREFERRED SHARES BY SELECTING ONE BOX BELOW)

Indicate whether you are a United States holder of Preferred Shares or are acting on behalf of a United States holder of Preferred Shares (*check the appropriate box below*):

- The person signing below represents that it is not a United States holder of Preferred Shares and is not acting on behalf of a United States holder of Preferred Shares; OR
- The person signing below is a United States holder of Preferred Shares or is acting on behalf of a United States holder of Preferred Shares.

A United States holder of Preferred Shares is any holder of Preferred Shares that is either: (i) providing an address that is located within the United States or any territory or possession thereof; or (ii) a U.S. person for United States federal income tax purposes.

A United States holder of Preferred Shares is not subject to United States backup withholding. However, Canadian withholding tax will apply.

DIRECTION TO EQUITY FINANCIAL TRUST COMPANY

The undersigned represents and warrants that: (a) it has full power and authority to surrender the Preferred Shares; (b) the Preferred Shares have not been sold, assigned or transferred, nor has any agreement been entered into to sell, assign or transfer any of the Preferred Shares to any other person or entity; and (c) it has good title to and is the beneficial owner of the Preferred Shares free and clear of all liens, restrictions, charges, encumbrances, claims and rights of others. The undersigned covenants to execute upon request of FirstService any additional documents, transfers and other assurances as may be necessary or desirable to complete the surrender of the Preferred Shares to FirstService.

Please forward the cheque for the proceeds of the redemption of certain of the Preferred Shares and the share certificate for the Subordinate Voting Shares resulting from the conversion of certain of the Preferred Shares represented by the above Preferred Share certificate(s) as follows:

Name (please print)			
Address			
City	Province/State	Postal/Zip Code	
Telephone (Office) ()	(Home) ()	Social Insurance (Security) Number	Tax Identification Number

Date: _____

Signature of Shareholder

INSTRUCTIONS

1. This Letter of Transmittal should be completed and signed and returned together with the appropriate certificate(s) representing the Preferred Shares to Equity Financial Trust Company (the “Agent”) at any of the following offices listed below. The method of delivery to the Agent is at the option and risk of the shareholder, but if mail is used, registered mail is recommended.

By Mail, Registered Mail, Hand or Courier:

Equity Financial Trust Company
200 University Avenue, Suite 400
Toronto, Ontario, Canada M5H 4H1

Attention: Corporate Actions Department

2. FirstService reserves the right, if it so elects, in its absolute discretion to instruct the Agent to waive any defect or irregularity contained in any Letter of Transmittal received by it.
3. Share certificate(s) registered in the name of the person by whom (or on whose behalf) the Letter of Transmittal is signed need not be endorsed or accompanied by any share transfer power of attorney.
4. Share certificate(s) not registered in the name of the person by whom (or on whose behalf) the Letter of Transmittal is signed must be endorsed by the registered holder thereof or deposited together with a share transfer power of attorney properly completed by the registered holder. Such signature must be guaranteed by an “Eligible Institution”, or in some other manner satisfactory to the Agent.

An “Eligible Institution” means a Canadian schedule 1 chartered bank, a member of the Securities Transfer Agent Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada and the United States, members of the Investment Industry Regulatory Organization of Canada, members of the Financial Industry Regulatory Authority or banks and trust companies in the United States.

5. Where the Letter of Transmittal is executed on behalf of a corporation, partnership or association or by an agent, executor, administrator, trustee, tutor, curator, guardian or any person acting in a representative capacity, the Letter of Transmittal must be accompanied by satisfactory evidence of authority to act.
6. Additional copies of the Letter of Transmittal may be obtained from the Agent at any one of its addresses listed above.
7. If a share certificate has been lost or destroyed, this Letter of Transmittal should be completed as fully as possible and forwarded to the Agent together with a letter stating the loss. The Agent will respond with the replacement requirements, which must be properly completed and returned prior to effecting the redemption.
8. Privacy Notice: The Agent is committed to protecting your personal information. In the course of providing services to you and our corporate clients, we receive non-public personal information about you from transactions we perform for you, forms you send us, other communications we have with you or your representatives, etc. This information could include your name, address, social insurance number, securities holdings and other financial information. We use this to administer your account, to better serve you and our clients’ needs and for other lawful purposes relating to our services. We have prepared a Privacy Statement to tell you more about our information practices and how your privacy is protected. It is available at our website, www.equityfinancialtrust.com, or by writing us at 200 University Avenue, Suite 400, Toronto, Ontario, Canada M5H 4H1. The Agent will use any information you provide in this Letter of Transmittal in order to process your request and will treat your submission of the Letter of Transmittal as your consent to the above.

9. By reason of the use by the holder of redeemed and converted Preferred Shares of an English language form of this Letter of Transmittal, such holder, FirstService and the Agent shall be deemed to have required that any contract evidenced by this Letter of Transmittal, as well as all documents related thereto, be drawn exclusively in the English language. En raison de l'usage d'une lettre d'envoi en langue anglaise par le soussigné, le soussigné et les destinataires sont présumés avoir requis que tout contrat attesté par l'offre et son acceptation par cette lettre d'envoi, de même que tous les documents qui s'y rapportent, soient rédigés exclusivement en langue anglaise.
10. Any questions should be directed to the Agent at 416-361-0930, ext. 205, or by e-mail to investor@equityfinancialtrust.com.