

## Tier One Capital Limited Partnership Announces Change in Accounting Policy

CNSXSYMBOL: TLP.UN

TORONTO, Feb. 28, 2017 /CNW/ - Tier One Capital Limited Partnership (CSE:TLP.UN) ("Tier One") announced today that it intends to implement a change in accounting policy (the "Change in Policy") to be reflected in its annual financial statements filed as at and for the year ended December 31, 2016 (the "2016 Annual Statements"). The Change in Policy will have no impact on the limited partners' equity, nor will it impact the cash available for limited partner distributions, the timing or amount of distributions declared or the allocations made to the limited partners for tax purposes but will result in a change in the manner in which it presents certain amounts that were previously presented in its statement of changes in equity to be presented in its statement of comprehensive income. Specifically, Tier One had historically presented the general partner's Priority Profit Allocation ("PPA") as an allocation of earnings within equity in the statement of changes in equity, which it now intends to present in the statement of comprehensive income, with any unpaid PPA amounts to be presented as a liability in the statement of financial position. The annual financial statements as at and for the year ended December 31, 2015 (the "Year Ended 2015") included with the 2016 Annual Statements for comparative purposes will be restated as a result.

The decision to adopt this Change in Policy arises in connection with a continuous disclosure review by the Ontario Securities Commission (the "OSC"). While the Change in Policy will be reflected in the 2016 Annual Statements to be filed by Tier One, the following information regarding the impact on certain historical figures previously presented is being provided at the request of the OSC. The Change in Policy is expected to result in a decrease in historical net income for the Year Ended 2015 (from \$1,522,198 to \$456,171, and for the nine-months ended September 30, 2016 from \$812,303 to \$20,872), an increase in historical total expenses for the Year Ended 2015 (from \$1,076,380 to \$2,142,407, and for the nine-months ended September 30, 2016 from \$1,003,502 to \$1,794,933), an increase in total liabilities as at the Year Ended 2015 (from \$2,009,457 to \$2,273,374, and as at September 30, 2016 from \$399,532 to \$645,279), a decrease in historical earnings per unit for the Year Ended 2015 (from \$0.41 to \$0.12, and for the nine-months ended September 30, 2016 from \$0.22 to \$0.01), an increase in historical cash outflows from operating activities for the Year Ended 2015 (from \$1,337,091 to \$2,396,378, and a decrease in historical cash inflows from operating activities for the nine-months ended September 30, 2016 from \$4,339,944 to \$3,530,343), and a decrease in historical cash outflows from financing activities for the Year Ended 2015 (from \$1,072,019 to \$12,732, and for the nine-months ended September 30, 2016 from \$3,502,837 to \$2,693,236).

The Change in Policy will have no net impact on the limited partners' equity (neither units nor retained earnings). The limited partner's equity will remain at \$35,407,004, as at the Year Ended 2015 (being at \$33,463,542 as at September 30, 2016), while the general partner's interest will decrease as at the Year Ended 2015 (from \$1,669,606 to \$1,405,689, and as at September 30, 2016 from \$2,538,447 to \$2,292,700), and therefore will not impact on the cash available for limited partner distributions or on the timing or amount of distributions declared, which will remain at \$1,835,550 for the Year Ended 2015 (being at \$1,077,323 for the nine-months ended September 30, 2016). The cash distribution to the general partner for PPA will also be unaffected and will remain at \$1,059,287, for the Year Ended 2015 (being at \$809,601 for the nine-months ended September 30, 2016). There will also be no change in the timing or quantum of cash outflows relating to the PPA. The reduction in earnings per unit relates entirely to the earnings attributable to the general partner's equity interest. There will be no impact on underlying earnings per unit relating to limited partners' equity.

All amounts presented as at and for the nine-months ended September 30, 2016 and the revised amounts presented as at and for the Year Ended 2015 herein are unaudited as of the date hereof. The 2016 Annual Statements will be made available on Tier One's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### About Tier One Capital Limited Partnership

Tier One Capital Limited Partnership is a listed innovative specialty finance LP committed to providing Limited Partners with access to attractive yields. Tier One Capital focuses on providing rapidly growing Canadian companies with the working capital needed to execute their growth strategies and acquisition plans. Its primary focus is on companies with recurring or predictable revenue, with high gross margins. Tier One Capital's credit review criteria identifies opportunities that offer multiple avenues for repayment of principal, be it from operational cash flow, cash flow from tax credits or government grants or a sale of the business or other liquidity event. Tier One Capital is the lender of choice for entrepreneurs looking for growth capital financing in Canada.

### Forward-looking Statements

This news release contains statements that may constitute "forward-looking statements" or "forward looking information" under applicable securities laws, including statements relating to Tier One and its plans, objectives, intentions and expectations as well assumptions, including those regarding its future performance. Certain statements made in this news release that are not historical facts are also forward-looking statements. These forward-looking statements reflect management's current internal projections, expectations, intentions or beliefs and are based on information currently available to Tier One. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "intend", "plan", "anticipate", "believe", "predict", "potential", "continue" or the negative of these terms or other comparable terminology. A number of factors could cause actual events or results to differ materially from those discussed in the forward-looking statements. Risks and uncertainties that could cause or contribute to such differences include, but are not limited to those described under "Risk Factors" in Tier One's most recent management information circular, which is available on SEDAR. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement and Tier One cannot provide any assurance that forward-looking statements will materialize. The forward-looking statements included in this news release are made as of the date of this news release and Tier One undertakes no obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise except as may be required by applicable securities laws.

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