



**For Immediate Release**

## **ADJUSTED COST BASE ALLOCATION FOLLOWING COMPLETION OF THE RECENT PLAN OF ARRANGEMENT**

**Toronto, Canada – October 19, 2016** – Element Fleet Management Corp. (“Element Fleet”) and ECN Capital Corp. (“ECN Capital”) (collectively, the “Companies”) (TSX: EFN, TSX: ECN) today announced estimates of the adjusted cost base allocation of the Element Fleet common shares and ECN Capital common shares for Canadian income tax purposes following the recent completion of the reorganization of Element Financial Corporation (“Element”), through a statutory plan of arrangement (the “Arrangement”). Pursuant to the Arrangement, and as outlined under the heading “Material Canadian Federal Income Tax Consequences to Shareholders” in Element’s Management Information Circular dated July 28, 2016 (the “Circular”), a number of steps were undertaken that led to the exchange of Element common shares for ECN Capital common shares and Element Fleet common shares.

**Please note that while the Companies believe the allocation as outlined below is a reasonable allocation for Canadian income tax purposes, such allocation is not binding on either shareholders or the Canadian tax authorities, nor is this legal or tax advice. Shareholders should therefore consult their own tax advisors in light of their particular circumstances.**

For purposes of the *Income Tax Act* (Canada), the estimated adjusted cost base to a Resident Participating Shareholder (as defined in the Circular) of each Element common share held immediately prior to completion of the Arrangement should be allocated as follows: 79.44% to the Element Fleet common share and 20.56% to the ECN Capital common share received by a Resident Participating Shareholder pursuant to the Arrangement.

As an example, if the adjusted cost base of a pre-Arrangement common share was \$10.00 to a Resident Participating Shareholder, the adjusted cost base of that share would be allocated approximately as follows:

<b>Entity</b>	<b>Percentage Allocation</b>	<b>Adjusted Cost Base</b>
Element Fleet	79.44%	\$7.944
ECN Capital	20.56%	\$2.056
Total	100.00%	\$10.00

### **About Element Fleet Management Corp.**

Element Fleet Management (TSX: EFN) is the leading global fleet management company, providing world-class management services and financing for commercial vehicle and equipment fleets. Element's suite of fleet management services span the total fleet lifecycle, from acquisition and financing to program management and remarketing – helping customers optimize performance and improve productivity. For more information, visit [www.elementfleet.com](http://www.elementfleet.com).

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### **About ECN Capital Corp.**

With total owned and managed assets of \$8.2 billion, ECN Capital Corp. (TSX: ECN) is one of North America’s leading equipment finance companies. ECN Capital operates across North America in three verticals of the equipment finance market (Commercial & Vendor Finance, Rail Finance, and Commercial Aviation Finance). For more information, visit [www.ecncapitalcorp.com](http://www.ecncapitalcorp.com).

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*This release includes forward-looking statements regarding Element Fleet and ECN Capital. Such statements are based on the current expectations and views of future events of Element Fleet's and ECN Capital's respective management. In some cases, the forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "plan", "anticipate", "intend", "potential", "estimate", "believe" or the negative of these terms, or other similar expressions intended to identify forward-looking statements, including the expected tax treatment of the Arrangement and the Canadian tax authorities' agreement with the estimated adjusted cost base allocations. The forward-looking events and circumstances discussed in this release may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting Element Fleet or ECN Capital, including risks regarding the equipment finance industry, economic factors and many other factors beyond the control of Element Fleet or ECN Capital. No forward-looking statement can be guaranteed. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Accordingly, readers should not place undue reliance on any forward-looking statements or information. A discussion of the material risks and assumptions associated with this outlook can be found in the Circular which has been filed on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com). Accordingly, readers should not place undue reliance on any forward-looking statements or information. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Element Fleet and ECN Capital do not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.*