



**CHESSWOOD CLOSES FIRST MARKETED SECURITIZATION FOR US\$254 MILLION  
& PROVIDES UPDATE ON PROGRESS OF TANDEM FINANCE**

TORONTO, October 10, 2019 – Chesswood Group Limited (“Chesswood” or the “Company”) (TSX: CHW) is pleased to announce the closing by its subsidiary Pawnee Leasing Corporation (“Pawnee”) of its first marketed U.S. securitization for Pawnee’s prime receivables. Proceeds from the U.S.\$254 million securitization will be used to pay down Pawnee’s recently renewed revolving warehouse line and to reduce the outstanding balance of Chesswood’s recently renewed senior revolving credit facility.

“This is an important milestone in the growth of our U.S. business and the expansion and improvement of our treasury resources as our prime portfolio, the largest segment of our portfolio, continues its excellent growth.” said Barry Shafran, Chesswood’s President and CEO. “The securitization market has provided us with a significant improvement in our cost-of-funds on the securitized receivables, improving our finance margins on this segment of our portfolio by at least 100 basis points. As our portfolio approaches the \$1.0 billion milestone, a better cost-of-funds is a key component in helping drive our future growth” added Shafran.

Early in the year, Chesswood announced the launch of Tandem Finance Inc. (“Tandem”), the Company’s new U.S. equipment finance business. Tandem operates in the industry’s largest market segment, the vendor channel. Serving equipment manufacturers, dealers and distributors and headquartered in Houston, Texas, Tandem is led by a team of industry veterans and is off to a quick start. From start-up to US\$5.0 million in monthly originations in just seven months of operating, Tandem is on track to meet or exceed expectations for 2019 while setting the table for excellent growth in 2020.

“Tandem actually began operating in January and originated its first transaction late in February, after considerable build-out of its team and infrastructure, including our vendor portal” said Shafran. “Tandem can conduct all of its business digitally, including electronic documents, or more conventionally, depending on the preference of its vendor-clients and their customers” Shafran added.

Tandem is not only flexible and fast, but it offers the vendor channel a superior value proposition in being able to adjudicate and fund transactions in all credit tiers, from prime through “C” without selling non-prime transactions to other funders, as most competitors do in this market segment. “We have a truly unique and compelling offering and I am thrilled to be able to take our online capabilities and full credit suite to this large market.” added Mike Sheehan, Tandem’s President.

**About Chesswood**

Through three wholly-owned subsidiaries in the U.S. and Canada, Chesswood Group Limited is North America’s only publicly-traded commercial equipment finance company focused on small and medium-sized businesses. Our Colorado-based Pawnee Leasing Corporation, founded in 1982, finances a highly diversified portfolio of commercial equipment leases and loans through relationships with over 600 independent brokers in the U.S. In Canada, Blue Chip Leasing Corporation has been originating and servicing commercial equipment leases and loans since 1996, and today operates through a nationwide network of more than 50 independent brokers. Located in Houston, Texas, Tandem Finance Inc. provides equipment financing to small and medium sized businesses in the U.S. through the equipment vendor channel. Based in Toronto, Canada, Chesswood’s shares trade on the Toronto Stock Exchange under the symbol CHW.

Learn more at: [www.Chesswoodgroup.com](http://www.Chesswoodgroup.com) [www.PawneeLeasing.com](http://www.PawneeLeasing.com) [www.BlueChipLeasing.com](http://www.BlueChipLeasing.com) and [www.TandemFinance.com](http://www.TandemFinance.com)

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