



SPERGEL

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Restructuring • Insolvency • Consulting

June 7, 2018

SENT VIA MAIL

Dear Sirs/Mesdames:

RE: DUCA Financial Services Credit Union Ltd. v. 2203284 Ontario Inc.
Court File No. CV-17-11827-00CL (the "Receivership Proceeding")
AND RE: The Connolly Project

On June 22, 2017, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") appointed msi Spergel Inc. as receiver (the "**Receiver**") of all the assets, undertakings and properties of 2203284 Ontario Inc. (the "**Debtor**"), including the lands municipally known as 98 James Street South, Hamilton, Ontario (the "**Lands**"), whereupon the Debtor was to develop the condominium project known as *The Connolly* (the "**Project**"). Additional information with respect to the receivership proceeding can be found at the Receiver's website at the following address:

<http://www.spergelcorporate.ca/active-files-list/2203284-ontario-inc/>

We write to you in connection with your agreement to purchase a condominium unit from the Debtor in relation to the Project (the "**Prebuild Agreement**").

On May 16, 2018 the Court granted an Order in the receivership proceeding approving, among other things, the sale of the Lands to Hue Developments & Investments Canada Inc. ("**Hue**"), (the "**Transaction**"). The transaction is expected to close by July 5, 2018. Upon the closing of the Transaction, the Receiver will forthwith commence a deposit claims procedure process to address the recovery of deposits paid by purchasers to the Debtor under valid and enforceable Prebuild Agreements. The claims procedure process has already been approved by the Court, but is subject to the completion of the Transaction.

A deposit claims package will be sent to you within ten days of the closing of the Transaction. Completed claim forms will be required to be submitted to the Receiver by 5:00 PM on August 31, 2018, failing which your claim will be barred.

If you have any questions or concerns, please do not hesitate to contact the Receiver attention: Frieda Kanaris at (416) 498 4309 or via email fkanaris@spergel.ca.

msi Spergel Inc.

Court-appointed Receiver of
2203284 Ontario Inc.,

Per:

Deborah Hornbostel, CPA, CA, CIRP, LIT, CFE

Senior Principal

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