



Tel: 416 865 0210
Fax: 416 865 0904
www.bdo.ca

BDO Canada Limited
123 Front Street W, Suite 1100
Toronto ON M5J 2M2 Canada

November 21, 2017

TO: The Purchaser

RE: Notice to Purchaser of Condominium Unit at *On The Go Mimico* re: Deposit Funds Held in Trust

On February 24, 2017, the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) appointed BDO Canada Limited as receiver and manager (the “**Receiver**”) of all the assets, undertakings and properties of Terrasan 327 Royal York Rd. Limited (“**Terrasan**”), including the lands municipally known as 327 Royal York Road, Toronto, Ontario (the “**Lands**”), whereupon Terrasan was to develop the condominium project known as “*On The Go Mimico*” (the “**Project**”).

On November 16, 2017, the Court granted a further order, prescribing the process by which the identity and status of all deposit claims of purchasers, with a valid and enforceable agreement of purchase and sale for the purchase of a condominium unit from Terrasan, is established for the purposes of the receivership proceedings (the “**Deposit Claims Procedure Order**”). A copy of the Deposit Claims Procedure Order may be accessed online at the following website: <http://www.extranets.bdo.ca/terrasan/courtdocs.cfm>

Capitalized terms not defined herein have the meaning given to those terms in the Deposit Claims Procedure Order.

Please review the provisions of the Deposit Claims Procedure Order relating to payments made in respect of a Deposit Trust Claim. Note that the Receiver will require the delivery of an executed Certificate and Receipt prior to the release of funds on account of a Deposit Trust Claim.

If you have any questions or concerns, please do not hesitate to contact the Receiver attention: Katarina Masciantonio at (416) 369-6129.

Deposit Claims Procedure

Notice of Deposit Claims Procedure

1. The Receiver shall cause a Claims Package to be sent to each known Purchaser, to the last known address or contact information contained in the Terrasan records, by regular mail, fax, courier or email (in PDF format) on or before November 24, 2017;
2. The Receiver shall cause the Newspaper Notice to be published in the Globe and Mail and Toronto Star on or before November 24, 2017;
3. The Receiver shall post the Claims Package on the Website on or before November 24, 2017;
4. The Receiver shall send a Claims Package to any person requesting such material as soon as reasonably practicable on receipt of a written request for a Claims Package from such person;

Filing of Deposit Claim Form and Determination

5. Every Purchaser asserting a Deposit Claim pursuant to this Deposit Claims Procedure shall set out its aggregate Deposit Claim in a written Deposit Claim Form, and shall deliver that Deposit Claim Form so that it is received by the Receiver no later than the Claims Bar Date, failing which such Purchaser shall stand forever barred, estopped, and enjoined from asserting or enforcing any Deposit Claim against Terrasan, Tarion and the Guarantee, and such claim shall be forever extinguished, subject to the terms of the Deposit Claims Procedure Order.
6. The Receiver shall send a copy of each and every completed Deposit Claim Form to the Guarantee for the review and evaluation of the Deposit Claim asserted by the Purchaser pursuant to this Deposit Claims Procedure. The Receiver, in consultation with the Guarantee, shall accept, revise or disallow the claim set out in such Deposit Claim Form. As part of the Receiver's evaluation of a Deposit Claim Form, the Receiver may consider, without limitation, the following materials:
 - (a) the agreement of purchase and sale entered into between Terrasan and the Purchaser;
 - (b) the proof of deposit payment(s) provided by the Purchaser;
 - (c) the records of the Deposit Trustee;

- (d) the identification provided by the Purchaser; and
 - (e) all documentation attached to the Deposit Claim Form in support of the amounts claimed by the Purchaser.
7. The Receiver shall provide notification to the Guarantee of the Receiver's determination of a Deposit Claim, as soon as reasonably practical.
 8. The Receiver, in consultation with the Guarantee, may attempt to resolve the amount of a Deposit Claim submitted pursuant to this Deposit Claims Procedure through negotiations with the Purchaser in respect of such claim, either before or after accepting, revising or disallowing such Deposit Claim.
 9. If the Receiver accepts a Deposit Claim as set forth in a Deposit Claim Form submitted to the Receiver in accordance with this Deposit Claims Procedure, that Deposit Claim shall be a Proven Deposit Claim.
 10. If the Receiver, in consultation with the Guarantee, chooses to revise or disallow a Deposit Claim as set forth in a Deposit Claim Form, the Receiver shall advise the Purchaser asserting such Deposit Claim of the determination by sending a Notice of Revision or Disallowance to such Purchaser.
 11. Any Purchaser who disputes the amount of its Deposit Claim as set forth in a Notice of Revision or Disallowance, shall deliver a Notice of Dispute to the Receiver by 5:00 p.m. (Toronto time) on the day that is fifteen (15) Calendar Days after the date of the Notice of Revision or Disallowance.
 12. Any Purchaser who fails to deliver a Notice of Dispute by the deadline set forth in paragraph 11 shall be deemed to accept the amount of its Deposit Claim as set out in the Notice of Revision or Disallowance and such Deposit Claim as set out in the Notice of Revision or Disallowance shall constitute a Proven Deposit Claim.
 13. Upon receipt of a Notice of Dispute, the Receiver shall send a copy to the Guarantee, as soon as reasonably practicable, and the Receiver, in consultation with the Guarantee, may attempt to resolve the amount of the disputed Deposit Claim with the Purchaser on a consensual basis.
 14. If a Deposit Claim is resolved by consent between the Receiver, the Guarantee and the Purchaser, the Receiver may accept a revised Deposit Claim Form setting forth the agreed amount of the Deposit Claim, and such settled Deposit Claim shall be a Proven Deposit Claim.

15. In the event the Receiver, the Guarantee and the Purchaser are not able to resolve the Deposit Claim amount and matters arising pursuant to the Notice of Dispute, the Purchaser shall schedule a motion before the Court, supported by an Affidavit setting out the basis for the Purchaser's Deposit Claim and dispute, to be heard not later than 30 Calendar Days following the delivery of the Notice of Dispute by the Purchaser to the Receiver. The Purchaser must serve the motion materials upon the Receiver and the Guarantee. In the event the Purchaser fails to schedule the motion by the aforementioned deadline, the Purchaser shall be deemed to accept the amount of the Deposit Claim as set out in the Notice of Revision and Disallowance.

Return of Deposit Monies / Claim

16. Upon a Deposit Claim Form being determined a Proven Deposit Claim, the Guarantee shall execute an authorization and direction, substantially in the form attached as **Schedule "I"**, authorizing and directing the Receiver to pay out such Proven Deposit Claim on behalf of the Guarantee to the applicable Purchaser (subject to further Order of the Court), upon receipt of the following:
 - (a) proof of the Purchaser's identity by providing a fully and properly completed Certificate; and
 - (b) an executed Receipt.

Deposit Claim Form

**IN THE MATTER OF THE RECEIVERSHIP OF TERRASAN 327 ROYAL YORK RD.
LIMITED ("Terrasan")**

Regarding the claim of _____ (the "**Purchaser**")

All notices or correspondence regarding this claim are to be forwarded to the Purchaser at the following address:

Telephone Number: (____) _____ - _____

Email address: _____

Attention (Contact Person): _____

(All future correspondence will be delivered to the designated email address unless the Purchaser specifically requests hard copies)

Please provide hard copies of correspondence to the address above.

I, _____ (name of Purchaser), of _____
(City, Province or State), do hereby certify that:

1. The Purchaser has received a Claims Package from the Receiver, and wishes to assert a Deposit Claim.
2. I am the Purchaser.

OR

I am _____ (position/title) of the Purchaser:

3. I have knowledge of all the circumstances connected with the Deposit Claim referred to in this Deposit Claim Form.
4. A copy of the agreement of purchase and sale, including all amendments, exhibits, addendums or modifications, entered into between the Purchaser and Terrasan is attached as **Schedule "A"** herein (the "**Purchase Agreement**").
5. The Purchaser states that it has delivered a Deposit Claim to Terrasan in the total sum of \$_____ (CDN) as evidenced by the proof of the deposit amount(s) paid attached

as **Schedule "B"** herein (by way of a cancelled cheque, or other form of proof from a financial institution to confirm that a deposit was paid by the Purchaser named on the Purchase Agreement) and the other proof attached hereto.

6. The Purchaser acknowledges and agrees that in each case where the Receiver makes a payment in relation to a Proven Deposit Claim in accordance with the Deposit Claims Procedure, the Purchaser (including its heirs, executors and assigns) shall be: (a) deemed to absolutely and unconditionally remise, release, acquit and forever discharge Terrasan, Tarion and the Guarantee for any Deposit Claims, claims for return of Deposit or other claims or funds paid on account of the purchase of a Unit in the Project, including interest thereon; and (b) forever barred, estopped and enjoined from making, asserting or enforcing any such claim for a Deposit Claim or other funds paid to SRLaw on account of the purchase of a Unit in the Project including interest thereon against Terrasan, Tarion or the Guarantee and all such claims shall be forever extinguished as against all such parties.
7. All capitalized terms not defined herein have the meaning given to such terms in the Deposit Claims Procedure Order.
8. This Deposit Claim Form must be received by the Receiver by no later than 5:00 p.m. (Toronto Time) on January 24, 2018 by either registered mail, personal delivery, courier, email (in PDF format) or facsimile transmission at the following address:

The Receiver:

BDO Canada Limited, Court appointed receiver of Terrasan
123 Front Street West, Suite 1100
Toronto, ON M5J 2M2
Fax No.: 416-865-0904
Email: onthegomimico@bdo.ca

Failure to file your Deposit Claim Form and required documentation as directed above will result in your Deposit Claim being forever barred and you will be prohibited from making or enforcing a Deposit Claim against Terrasan, Tarion and the Guarantee and shall not be entitled to further notice or distribution, if any, and shall not be entitled to participate in these proceedings.

Name of Purchaser:

Witness Signature

Per:

Name:

Title:

(Please Print)