Cassels

May 10, 2021

Sent Via Email

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Dear Investor:

Re: First Leaside Wealth Management
Receivership Proceedings: Court File CV-12-9930-00CL
Final Distribution to Investors

We are writing in our capacity as representative counsel ("**Representative Counsel**") appointed by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to represent investors (the "**Investors**") with investments in First Leaside Wealth Management or certain of its affiliates (collectively, "**First Leaside**") in relation to the above noted receivership proceedings.

As you are aware, First Leaside applied to commence proceedings under the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**") in February 2012. In December 2012, the Court terminated the CCAA proceeding and appointed Grant Thornton Limited (the "**Receiver**") as the receiver of First Leaside's assets in order to reduce administration costs and facilitate distributions to stakeholders under Court supervision. In July 2013, the Court approved an interim distribution of proceeds of the realization of certain of First Leaside's assets to creditors of First Leaside and the Investors.

In July 2019, the Court approved an intended final distribution of an equal amount of $1,802.14 to each Investor, without regard to the specific First Leaside entity or entities in which they invested, and without regard to the amount that they invested (the "**2019 Distribution**"). Representative Counsel is advised that on or about October 29, 2019, a distribution agent for the Receiver known as AST Trust Company (Canada) (the "**Distribution Agent**") mailed a cheque in the amount of $1,802.14 to the last known address of each Investor who was eligible to receive the 2019 Distribution. Investors had six months to cash their 2019 Distribution cheque before such cheques were cancelled.

2021 Surplus Distribution

Despite the Receiver and Distribution Agent's efforts to locate all eligible Investors and ensure that 2019 Distribution cheques were cashed as intended, there remained approximately $278,033 in undistributed proceeds from the 2019 Distribution.

The Receiver proposes to make a final *pro rata* distribution of such proceeds and certain additional recovered funds (the "**Surplus Distribution**") to Investors who previously cashed their 2019 Distribution cheques, being the Investors who the Receiver or Distribution Agent was able to locate prior to April 22, 2021. The Receiver believes that approximately 1259 Investors will be eligible to receive their proportionate share of the Surplus Distribution, estimated to be approximately $250 per Investor.

The Receiver has scheduled a motion before the Court on May 21, 2021, where it will seek Court approval for the Surplus Distribution. If the Court approves the proposed Surplus Distribution, the Receiver estimates that the Distribution Agent will deliver cheques beginning in June 2021, and Investors will have until December 21, 2021 to cash their cheques before they are cancelled. The Receiver will also be seeking Court approval of additional fees for the Receiver, its legal counsel, and Representative Counsel to ensure funds are available from the receivership estate to compensate these professionals for their extended work to complete the receivership, including the development and administration of the Surplus Distribution, if approved by the Court.

Representative Counsel has consulted with the Receiver regarding the Surplus Distribution and is supportive of the Receiver's motion.

Further information regarding the proposed Surplus Distribution can be found in the Receiver's Eighth Report, which is available to be reviewed at the following web address: https://www.grantthornton.ca/service/advisory/creditor-updates/#First-Leaside-Group-of-Companies.

Should you have any questions regarding this letter or the First Leaside receivership generally, you may contact Ben Goodis of our office at bgoodis@cassels.com or by telephone at 416-869-5312, or the Receiver at firstleaside@ca.gt.com or by telephone at 855-883-2474.

Yours truly,

Cassels Brock & Blackwell LLP

BGoodis for

Jane O. Dietrich
Partner

JD/bg
Cc: J. Krieger, *Grant Thornton* (email)
C. Burr, *Blake Cassels & Graydon LLP* (email)