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APPROVAL OF SALE OF CARRIAGE HILLS RESORT

NOTICE TO OWNERS AND ENCUMBRANCERS

OWNERS AND CREDITORS OF CARRIAGE HILLS VACATION OWNERS ASSOCIATION

Please read this notice carefully as your legal rights may be affected.

PURPOSE OF THIS NOTICE

BDO Canada Limited has been appointed as the receiver (the “**Receiver**”), of the assets, undertakings and properties of the Carriage Hills Vacation Owners Association (the “**Association**”) and of property and assets of the Carriage Hills Resort (the “**Resort Property**”) in an application commenced by the Association at the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) bearing Court File No. CV-20-00640265-00CL. The Resort Property includes the Lands, as such term is defined in the Amended and Restated Appointment Order made by the Honourable Madam Justice Conway on December 11, 2020.

In accordance with a Sale Process approved by an Order of the Honourable Justice Conway dated January 5, 2021, the Receiver, through its listing broker, Colliers Macaulay Nicolls Inc., has marketed the Resort Property and entered into an agreement of purchase and sale (the “**Purchase Agreement**”) with a purchaser (the “**Purchaser**”), subject to approval of the Court.

In accordance with the terms of the Purchase Agreement and as is customary in such Court-supervised sales by receivers, the Receiver will be seeking an Order from the Court (the “**Approval and Vesting Order**”) which will both: (a) approve of the Purchase Agreement and the sale transaction contemplated thereby (the “**Sale**”); and (b) vest title to the Resort Property in and to the Purchaser free and clear of the ownership interests of all owners of the Resort Property (“**Owners**” and, each, an “**Owner**”) and other non-permitted encumbrances. **Under the terms of the Approval and Vesting Order, you will, upon closing of the Sale, no longer be an Owner or continue to have a recorded interest in the Resort Property. The net proceeds from the Sale will stand in the place and stead of the Resort Property and your interest will attach to such net proceeds with the same priority as it had to the Resort Property prior to the Sale.**

The Receiver’s motion for the Approval and Vesting Order (the “**Sale Approval Motion**”) is scheduled to be heard before Justice Conway at 9:30 a.m. on May 27, 2021 (the “**Sale Approval Hearing**”). From approximately two weeks prior to the Sale Approval Motion, the Receiver’s motion record (the “**Motion Record**”) will be available for viewing or download on the Receiver’s website at: <https://www.bdo.ca/en-ca/extranets/carriage/>

Interested parties will be able to view the Sale Approval Hearing live on YouTube through the following link: <https://sites-airdberlis.vuturvevx.com/143/3555/landing-pages/livestream-link.asp>

ADDITIONAL INFORMATION

Further information, including the Service Protocol Order made April 30, 2021 by which this Notice was approved and the Third Report of the Receiver filed with the Court in connection



therewith, is also available on the Receiver's website: <https://www.bdo.ca/en-ca/extranets/carriage/>

JOINT INTEREST

If you are an Owner and you share your ownership interest in the Resort Property with one or more other Owners as joint owners, or if your ownership interest in the Resort Property is otherwise shared with one or more additional parties, you are required to forward this notice to such persons as soon as possible and to notify the Receiver of such other parties.

INTERPRETATION

This notice is a summary of the relief to be sought in the Sale Approval Motion including the terms of the proposed form of the Approval and Vesting Order. If there is a conflict between the provisions of this notice and the Motion Record or the form of Approval and Vesting Order included therein, the Motion Record and the form of Approval and Vesting Order included therein prevail.

Any party affected by the Sale Approval Motion should obtain such legal advice as they deem appropriate as soon as possible to address the relief sought in the Sale Approval Motion.

**THIS NOTICE WAS APPROVED BY THE ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) BY
ORDER DATED APRIL 30, 2021**