



KPMG Inc.

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October 11, 2017

To Real Estate Brokers involved in the Sale of Units at the Kennedys,

Re: Development Project at 2035 Kennedy Road (the “Kennedys”)

As you may be aware, the Ontario Superior Court of Justice granted an Order dated September 15, 2017 pursuant to the Ontario *Business Corporations Act* appointing KPMG Inc. (“**KPMG**” or “**Liquidator**”) as liquidator of Tarn Financial Corporation (“**Tarn**”) effective September 25, 2017 for the purpose of winding up Tarn (the “**Order**”) and distributing its assets (the “**Winding Up Proceedings**”). Tarn owns and operates Tarn Construction Corporation (“**Tarn Construction**” and the “**Vendor**”), which is developing the Kennedys (the “**Development Project**”). The real property municipally known as 2035 Kennedy Road, Toronto that is being developed for the Kennedys is also owned by Tarn. A copy of the Order and information pertaining to the Winding Up Proceedings will be posted on KPMG’s website, which can be found at www.kpmg.com/ca/tarn.

The winding up proceeding is a legal process whereby the Liquidator is the statutory representative for the purposes of winding up the corporation, which includes the sale of the assets of the business and the distribution of the proceeds. As a result of the Order, KPMG is empowered and authorized, but is not obligated, to act in respect of the assets, property and undertaking of Tarn and through Tarn, for Tarn Construction.

KPMG is currently determining the appropriate sale process to market the assets of the business and this process will be approved by the Court. In the interim, KPMG has ceased all activities relating to the construction of the Development Project.

Any amounts owing to you from Tarn or Tarn Construction are currently stayed by the Order and will be dealt with in accordance with the terms of the OBCA and the Order. KPMG is in the process of reconciling the amounts owing by Tarn and Tarn Construction. If you have information that will assist KPMG in determining the amount owing to you, please provide by email to KPMG at the email set out below.

For your information, we enclose a copy of the notice that has been sent to all of the purchasers of the units at the Kennedys explaining the current situation. If you receive any inquiries from purchasers, please direct them to KPMG at the contact details set out below.

Should you wish to discuss this matter further, please contact KPMG at (416) 649-7623 or (1-855) 222-8083 or at tarn@kpmg.ca.

Yours truly,

KPMG Inc.
Solely in its capacity as Liquidator of
Tarn Financial Corporation