



To all Misrepresentation Claimants:

November 23, 2023

This notice is an update in connection with the receivership proceedings of Bridging Finance Inc. and certain affiliates, and the funds managed by Bridging Finance Inc. (the “**Bridging Funds**”).

On May 26, 2022, the Ontario Superior Court of Justice (Commercial List) appointed representative counsel in connection with a unitholder priority motion (the “**Unitholder Priority Motion**”).

Miller Thomson LLP was appointed as representative counsel (“**Misrepresentation Representative Counsel**”) for unitholders in the Bridging Funds with potential statutory rescission claims based on potential misrepresentation(s) found in the Bridging Funds’ offering memoranda (“**Misrepresentation Claimants**”).

The purpose of the Unitholder Priority Motion was to determine whether Misrepresentation Claimants (among others) are entitled to any priority over the claims of other, general unitholders (“**General Unitholder Claims**”) with respect to the distribution of the proceeds of the Bridging Funds.

The Unitholder Priority Motion proceeded virtually via Zoom video-conference, beginning on November 16, 2022. On April 12, 2023, Chief Justice Morawetz released his decision in the Unitholder Priority Motion, ordering that Misrepresentation Claimants are entitled to priority over General Unitholder Claims with respect to the distribution of proceeds of the Bridging Funds. All materials related to Misrepresentation Claimants and the Unitholder Priority Motion can be found on [Miller Thomson’s website](#).

Appeal of the Decision

Representative counsel for unitholders in the Bridging Funds commenced an appeal of the decision in the Unitholder Priority Motion in the Court of Appeal for Ontario (the “**Court of Appeal**”). The appeal was heard on October 18, 2023, before a panel of three justices: Justice van Rensburg, Justice Hourigan, and Justice Favreau. All materials related to the appeal are available on [the Receiver’s website](#).

The Court of Appeal released its decision in the appeal on November 17, 2023 (the “**Decision**”). In its Decision, the Court of Appeal overturned the Chief Justice’s decision. The Court of Appeal ordered that all unitholders rank *pari passu* with respect to the distribution of the proceeds of the Bridging Funds, and that Misrepresentation Claimants do not have a priority over the General Unitholder Claims. A link to the Court of Appeal’s Decision is available on the Receiver’s website and can be accessed by clicking [this link](#).

Next Steps

At this time there is nothing required from Misrepresentation Claimants. On behalf of Misrepresentation Claimants, Misrepresentation Representative Counsel is in the process of considering potential options in relation to the Court of Appeal's Decision, including a potential application for leave to appeal the Decision to the Supreme Court of Canada.

A further update will be provided in due course.

If you are a Unitholder and have general questions or concerns about the Receivership proceedings that do not relate to the Unitholder Priority Motion, the Decision, or the related appeal process, please contact Bennett Jones LLP, who are Representative Counsel for all Unitholders generally at bridginginfo@bennettjones.com.

Please contact Miller Thomson at the following email address:
BridgingMisrepClaims@millerthomson.com.