



Ernst & Young Inc.  
EY Tower  
100 Adelaide Street West, PO Box 1  
Toronto, ON M5H 0B3

Tel: +1 416 864 1234  
Fax: +1 416 943 3300  
ey.com

June 22, 2020

To the Customers of Pace Securities Corp.

Dear Sir/Madam:

**This letter is to update you on the process that was authorized by the Ontario Superior Court of Justice on June 19, 2020 to facilitate the expedient transfer of all PSC customer accounts from Laurentian Bank Securities to other IIROC Dealer Members.**

As mentioned in our letter dated May 22, 2020, Ernst & Young Inc. (“EY”) was appointed by Order of the Ontario Superior Court of Justice on May 14, 2020 to lead the wind-up activities of Pace Securities Corp. (“PSC”), Pace Financial Limited, and related entities. All of the customer accounts of PSC are held by Laurentian Bank Securities (“LBS”) as carrying broker for PSC.

Your PSC investment advisors have begun transferring their clients to other IIROC Dealer Members including Aligned Capital Partners Inc., CIBC Wood Gundy and Manulife Financial. They will be contacting you, if they haven’t already, about completing paperwork so that they can initiate the transfer of your account(s) to their new place of employment. If you intend to have your account(s) transferred to your investment advisor’s new place of employment, please complete the paperwork as soon as possible so that your account(s) can be transferred.

**Accounts with Shares of Pace Financial Limited or First Hamilton Holdings Inc.**

- Many PSC customer accounts contain as investments, among other things, private company preference shares or warrants of either Pace Financial Limited (“PFL”), First Hamilton Holdings Inc. (“FHH”), or both. If you own these investments, they will **NOT** be transferred as part of the transfer process.
- All of your PFL and/or FHH shares or warrants will be transferred out of your registered and non-registered accounts to EY, who will hold them on your behalf. EY is prepared to hold these securities on your behalf until the affairs of PFL and FHH are wound up. All other securities and cash in these accounts will be transferred into new accounts at your new broker dealer once those accounts have been opened.
- Please note that the preference shares and warrants of PFL and FHH in your accounts are registered in LBS’s name in trust for you.
  - If you wish to have these certificates sent to you in their current form, please contact EY (see contact information below).
  - If you would like to have the securities re-registered in your name, you will have to make your own arrangements for that to occur at your own expense.
  - If you have physical certificates of PFL or FHH in your possession, you may continue to hold these certificates.

- Once the wind-ups of PFL and FHH are complete, PSC customers will be notified as to the redemption value of their PFL and FHH preference shares so that they can deal with any tax or other reporting.

**Accounts That Do Not Contain PFL and/or FHH Shares or Warrants**

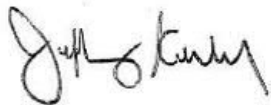
- If your accounts **DO NOT** contain PFL or FHH preference shares or warrants, LBS will be transferring your accounts to your new broker dealer once those accounts have been opened.
- If your account is a non-registered account (e.g. cash account, margin account, TFSA account, etc.) that contains only cash, then, unless you complete transfer paperwork with your advisor, LBS will be sending to you the cash balance from your account via cheque or EFT, and your account will be closed.
- All inactive PSC customer accounts (i.e. accounts containing no cash or securities) will be automatically closed.

If you have any questions, please contact EY at the contact information set out below:

Email: [pace.securities@ca.ey.com](mailto:pace.securities@ca.ey.com)  
Telephone: 1-855-943-7141  
Fax: 416-943-3300  
Website: [www.ey.com/ca/pacesecurities](http://www.ey.com/ca/pacesecurities)

Yours very truly,

**ERNST & YOUNG INC.**  
**Solely in its capacity as Liquidator of Pace Securities Corp.,**  
**Pace Financial Limited, Pace Insurance Brokers Limited and**  
**Pace General Partner Limited, and not in its personal capacity**  
**Per:**



Jeffrey D. Kerbel, CPA, CA, CIRP, LIT  
Senior Vice-President