



October 29, 2024

Good day Growers,

As previously announced in the media, the BC Government and the BC Investment Agriculture Foundation (IAF) have worked together with Alvarez & Marsal Canada Inc. (the Monitor) and BC Tree Fruits Cooperative (BCTFC) to facilitate an accelerated payment to Growers for their 2023 late apples, 2024 cherries and 2024 plums received by BCTFC. On October 24, 2024, the Supreme Court of British Columbia approved an agreement between Growers Supply Company Limited (GSC), BCTFC, the Monitor and IAF, which creates a procedure for the Growers to sell and assign their crop pool payment claim amount to IAF. In basic terms, IAF will assume Growers' Claims (and the risks associated with recovering them) and pay Growers the full amounts owing to them by BCTFC in respect of such claims. The Monitor will be contacting Growers who are owed money for the aforementioned fruit crops by email or mail and delivering a package of documents that will include their specific account details and information about how to assign their claim, should they wish to do so.

Below are some Frequently Asked Questions that we anticipate will be asked as Growers read through the documents they receive. All capitalized terms that are not defined in this document will have the meanings given to them in the package of documents sent to you by the Monitor.

Disclaimer: The following information is provided to you for general informational purposes only and should not be used as a substitute for legal or other advice relating to the Claims Procedure or the assignment of your claim to IAF. If you have any doubt as to any action you should take, or if you have any language barriers that may impact your understanding of any documents, you are encouraged to engage your own professional advisors.

FAQ's RE: IAF PAYMENT

When and how will I be paid? Growers will be paid by cheque from an account maintained by the Monitor. Once you receive the package of documents from the Monitor, you can speed up your payment by completing and returning the Acceptance Notice provided to confirm the amount of your claim and your desire to assign it to IAF. The Monitor will then send you an Assignment and Release Agreement to complete and return. The goal is to have a cheque issued to you within 14 days of receiving the completed Assignment and Release Agreement. Otherwise, payment will be made to all Growers that have not submitted a Dispute Notice by November 19, 2024, once they have signed an Assignment and Release Agreement. Such payments are expected to be made as early as December 6, 2024.

What if I don't receive an email or a letter from the Monitor? The Monitor will first try to contact you by email, so be sure to check your junk and spam folders. If you do not receive notification from the



Monitor before November 19, 2024, it is likely that the amount you owed to BCTFC or GSC exceeded any pool returns credited to your grower account. You can confirm this by contacting the Monitor by email at bctreefruits@alvarezandmarsal.com.

Once I receive the package of documents from the Monitor, how long do I have to respond? A package of documents will be sent to you from the Monitor by October 29, 2024. If you do not respond at all to the Monitor by November 19, 2024, your Grower's Claim will be a Proven Claim. However, to be paid by the Monitor, you must still return a completed Assignment and Release Agreement to the Monitor.

Why can't payments be made by EFT deposit? This is a one-time payment coordinated through the Monitor, and they are unable to set up EFT transfers.

What does the payment include? Payments are for the 2023 late apple pool close, 2024 cherry pool and 2024 plum pool less any regular deductions that are applied to pool closes. Deductions may include items such as BCTFC administration fees and/or GSC accounts owing.

What about any outstanding loan certificates? Amounts owed to Growers for unpaid loan certificates or other claims will remain as claims to be proven later in the CCAA court process.

Can I refuse the IAF funded payment? If you don't wish to assign your claim to IAF, you can opt out by returning a Dispute Notice to the Monitor as instructed. No money will be paid to you through this accelerated payment process and your claim will be treated the same as all other unsecured claims in the CCAA process. To be clear: there is no certainty that your claim—or any other unsecured claim—will be satisfied in whole or in part in the CCAA process.

What if I disagree with the amount of my claim as set out in the package I receive from the Monitor? You have the option to return a Dispute Notice to the Monitor to dispute the reported amount of your claim. If you and the Monitor are able to resolve the dispute on or before the Dispute Resolution Date of December 3, 2024, and you complete and return the Assignment and Release Agreement, you will be paid the resolved amount of your claim. If you and the Monitor fail to resolve the dispute before the Dispute Resolution Date, no money will be paid to you through this process, but you can still advance your claim as an unsecured creditor later on within the CCAA process.

Does taking the IAF money jeopardize any other claims I have in this process? No. Assigning your 2023/2024 fruit crop claim to IAF and receiving full payment for it does not affect any other claims you may have against BCTFC. All such additional claims (including, for example loan certificates), if any, will be resolved in the CCAA process.

What are the benefits of taking the IAF payment now? You will receive the full calculated amount of your 2023/2024 pool money (pool earnings less deductions), and you will receive your payment sooner



than if you wait to receive a payment in the CCAA process. As each case is different, we do not have an estimated timeline for the CCAA process. Some cases take months or even years to be complete. With this process, IAF is taking on the risk for your pool payment amounts. If for any reason there is not enough proceeds to cover 100% of the unsecured creditor debt after the bank and any other priority creditors are paid, unsecured creditors will receive less than the full amount owing to them.

What about my membership equity? The IAF payment does not have any bearing on membership or member equity in BCTFC. Dealings regarding membership shares and equity may be dealt with in the CCAA process, but only after all creditor claims are paid in full.

What is IAF's role in the Claims Procedure? IAF has agreed to purchase and acquire the Proven Claims of Growers, but will otherwise not have a role in the Claims Procedure. The Monitor will oversee the administration of the Claims Procedure, including providing the Claims Notices to Growers and arranging for payments.

Who do I contact if I have further questions about this IAF payment?

Please email bctreefruits@alvarezandmarsal.com or phone them at 1-877-425-6012 with any questions you may have.

Regards,

BC Tree Fruits Cooperative and Alvarez & Marsal Canada Inc.