

# Kingscroft Investments Limited

February 28, 2003

Lorraine Giles  
6459 Sapling Trail  
Mississauga, ON L5N 7A5

Dear Ms. Lorraine Giles:

## Bonaventure Court

Effective December 31, 1988 you contracted to purchase a beneficial interest in a Condominium Unit # B-205 (the "Unit") which included a package of financial services. At that time, you were granted a loan in the amount of \$19,100.00.


The Promissory Notes (the "Notes") carried an interest rate of 12% per annum requiring a minimum interest only monthly payment of \$191.00.

On January 1998, interest payments from you stopped, causing you to default on the Notes. Since then, unpaid interest and interest arrears have accrued to \$15,233.94 as at March 1, 2003. Together with the original principal outstanding, you owe \$34,333.94. The attached schedule provides a detailed description.

Pursuant to Clause 8.8 of the Purchase Agreement, Clause 5.7 of the Financial Services Agreements and Clause 1.3 of the Trust Agreement. (copies of clauses attached hereto) you are in default of the terms of our Agreement.

To maintain your beneficial ownership in the Unit, the full balance outstanding must be received at our address by March 10<sup>th</sup> 2003.

Sincerely,



Don Carmichael

40 Sheppard Avenue West, Suite 601, Toronto, Ontario, Canada M2N 6K9  
Telephone (416) 733-8810 Fax (416) 733-8701