



OTTAWA TENNIS AND LAWN BOWLING CLUB

176 CAMERON AVENUE, OTTAWA, ONTARIO K1S 0X5

TEL 613-730-7207 FAX 613-730-9568

INCORPORATED 1939

July 28, 2009

Dear OTLBC Shareholder,

You will recall that two years ago, we borrowed moneys to rebuild Courts 5-12 which were badly in need of renovation. It's hard to imagine how much tennis time we would have lost this past rainy summer if we did not have these new courts in operation that now drain so efficiently. We are repaying this bank loan on schedule from our operating funds.

Let me reassure you at the outset that the OTLBC (the "Club") is currently on solid ground, both financially and physically. Our facility is generally holding up well as we regularly repair and maintain our structures as necessary. However, sooner or later, the other 10 courts will require major renovation as will our clubhouse, fencing and pool. It is the fervent wish of the Board of Directors that we not go any further into debt, for *any* reason, and that is why we have been exploring various potential partnerships with the City of Ottawa and local real estate developers. Simply put, we wish to strengthen our financial position as would any responsible managers, so that we have reserves available to us as they are required. This is normal, sound financial management practice. The Board would like to offer the shareholders and members of this Club the highest level of financial security possible so that the Club may thrive for another 127 years.

Many of you understand well the challenges we face and have said to us: "Just raise the fees as much as necessary and we'll pay it. We love this club and we'll do whatever it takes." While we appreciate hearing this, we understand that a sharp increase in fees will cause us to lose price-sensitive members, which may result in a decrease in overall revenues.

It should be noted that some clubs, in order to build and maintain a capital fund, require members to contribute annually in this regard. For example, the Toronto Lawn Tennis Club charges annual fees of over \$500.00 per member just for its building fund! We don't charge *anything* to bolster our capital fund but somehow we are expected to keep our facilities in tip-top condition and updated regularly. A tall order to be sure!

We are asking you to consider alternative ways to help the Club financially. In this way, over time, the Club will receive enhanced funding that can be used to help renovate the pool, rebuild the older courts, mend or replace aging fences and light standards and help modernize and restore our heritage clubhouse which could become a potential profit centre for meetings and receptions. The ways in which you can help include:

1. Making a Gift. Consider a general donation to the Club for use as carefully determined by the Board or the “friendly financing” of a particular on-site project that interests you. For example, you could finance the reconstruction of one court and have it named in your honour.
2. Making a Bequest. Include in your will or revise your existing will to bequeath a sum of money to the Club for capital projects. As for me, I’ve recently redone my Last Will and Testament to bequeath a lump sum of money to the Club, and I must say it feels good!
3. Insurance. Make a gift of life insurance: A) This could be an existing policy where the original need for the insurance is no longer there; or B) A new policy on an individual life or on a couple (joint last to die). The joint last to die policy is the most cost effective. To confidentially discuss these ideas, please contact long-time member Mark Borts at mark@bortsfinancial.com or phone him at 613-565-6275.

If you choose to assist the Club in one of these ways and wish to be recognized for it (in the case of a donation by will or insurance), we would be pleased to acknowledge your generosity and celebrate, on your behalf, your feelings of commitment to our beloved club – for example - erecting a plaque honouring your gift\contribution on our Wall of Honour.

If you wish to give anonymously, that would be fabulous! Or, if you wish to discuss a means of publicizing your gift, please feel free to call or write me at your convenience to discuss how this can be done. My home number is 613-241-4687 and my e-mail address is: rstein@radnoffpearl.com

In conclusion, I believe you’ll agree that the Club is a very special place which for so many of us is our Cottage in the City. Please consider these options to help the Club build a capital fund so that it will not only endure for years to come, but so that we can offer top-notch facilities including a clubhouse we can be proud of and use to our financial advantage.

Thank you so much for taking the time to read this letter and giving this important matter your consideration.

Kind regards,

A handwritten signature in cursive script that reads "Ron Stein". The signature is written in black ink and is positioned above the typed name and title.

Ron Stein
President
Board of Directors OTLBC