

January 7, 2020

**Hand Delivered**

The Honourable Justice Presiding in Chambers  
Supreme Court of Nova Scotia  
The Law Courts  
1815 Upper Water Street  
Halifax, Nova Scotia B3J 1S7

My Lord/My Lady:

**RE: IN THE MATTER OF: the Receivership of 3291735 Nova Scotia Limited  
Hfx No. 474742**

We are counsel to the court appointed receiver, KSV Kofman Inc. (the “Receiver”). Please accept this letter as our submissions in respect of a motion to discharge the Receiver and provide certain ancillary relief. This motion is scheduled to be heard on January 16, 2020, at 9:30 a.m. in general chambers. No opposition is expected.

With our Notice of Motion we have filed the Second Report of the Receiver (the “Report”) and a proposed form of order. Proof of service upon persons receiving notice of prior motions in this proceeding will be filed with the Court at or prior to the hearing of this matter.

**APPROVAL OF ACTIONS AND DISTRIBUTION OF FUNDS**

As indicated in the Report, the Receiver has completed its liquidation of the assets of the Respondent in accordance with the previously issued Orders. The Report details the actions of the Receiver since its last report to the Court and we submit that it is appropriate for the Court to approve the actions undertaken by the Receiver as officer of the Court.

**DISCHARGE OF RECEIVER**

The moving party relies on Civil Procedure Rule 73.11 in support of this motion, which provides:

**Gavin D. F. MacDonald** | Partner

Direct 902 491 4464 Main 902 421 6262 Fax 902 421 3130 Email [gmacdonald@coxandpalmer.com](mailto:gmacdonald@coxandpalmer.com)  
Purdy's Wharf Tower I 1100-1959 Upper Water Street Halifax NS  
Correspondence PO Box 2380 Central Halifax NS B3J 3E5

\*10039790/00001/3271515/v1

January 7, 2020

“73.11 A receiver who completes the task for which the receivership order was granted must make a motion for an order passing the receiver’s accounts, approving fees and expenses not yet approved, and discharging the receiver.”

The bulk of the work undertaken by the Receiver is detailed in the Report and prior reports filed in connection with this proceeding. The assets of the company have been liquidated by the Receiver in the sales approved by this Court. We submit that the task for which the Receiver was appointed has therefore been completed.

This motion seeks taxation and approval of costs incurred since during the receivership. We submit that the costs and expenses of the Receiver and its counsel as detailed in the Report are reasonable in light of the complexity of the task undertaken and the results obtained.

All of which is respectfully submitted,



Gavin D. F. MacDonald

GDFM/lb  
Enclosure

Cc: Service List

2018

Hfx No. 474742

Supreme Court of Nova Scotia  
In Bankruptcy and Insolvency

IN THE MATTER OF: the Receivership of 3291735 Nova Scotia Limited

BETWEEN

FIRST NATIONAL GP CORPORATION and  
FIRST NATIONAL FINANCIAL LP

Applicants

And

3291735 NOVA SCOTIA LIMITED

Respondent

Notice of Motion

To: The Persons listed in Schedule "A"

**Motion**

KSV Kofman Inc., in its capacity as court appointed receiver of the assets of the Respondent (the "Receiver"), moves for an order:

1. Approving the actions of the Receiver set out in the Second Report and prior reports of the Receiver on file;
2. Taxing and approving the fees and disbursements of the Receiver and its counsel; and
3. Discharging the Receiver.

**Time and place**

The motion is to be heard by a Judge on Thursday, January 16, 2020 at 9:30 a.m. in the Law Courts, 1815 Upper Water Street, Halifax, Nova Scotia. The moving party has set the motion for hearing in General Chambers. The moving party says that the motion will not require more time.

**References**

The moving party relies on the following legislation, Rules, or points of law:

1. Receivership Order issued May 11, 2018; and
2. Civil Procedure Rule 73.11.

**Evidence**

The evidence in support of the motion is:

1. Second Report of the Receiver dated December 19, 2019.

**Possible order against you**

You may file an affidavit and a brief, attend the hearing of the motion, and state your position on whether the proposed order should be made. If you do not attend, the Judge may grant an order without further notice to you.

**Signature**

Signed on January 7, 2020.



---

Signature of Counsel

Gavin D. F. MacDonald, counsel to KSV  
Kofman Inc.  
Cox & Palmer  
Suite 1100 Purdy's Wharf Tower One  
1959 Upper Water Street  
Halifax NS B3J 3N2  
Tel: (902) 421-6262  
Fax: (902) 421-3130

Schedule "A"

**3291735 Nova Scotia Limited**  
1021 Beaufort Avenue  
Halifax, NS NB3H 3Y1  
Attn: E. David Bryson, President  
By Email: [davidbryson77@gmail.com](mailto:davidbryson77@gmail.com)

**Canadian Western Trust Company**  
c/o Cyril Randall  
BoyneClarke LLP  
99 Wyse Road, Suite 600  
Dartmouth, NS B3A 4S5  
By Email: [crandall@boyneclarke.ca](mailto:crandall@boyneclarke.ca)

**N. L. Bryson**  
1021 Beaufort Avenue  
Halifax, NS B3H 3Y1

**Halifax County Condominium Corporation No. 412**  
1021 Beaufort Avenue  
Halifax, NS NB3H 3Y1  
Attn: E. David Bryson, President  
By Email: [davidbryson77@gmail.com](mailto:davidbryson77@gmail.com)

**The Office of the Superintendent of Bankruptcy Canada**  
Room 1605, Maritime Centre  
1505 Barrington Street  
Halifax, NS B3J 3K5  
By Email: [ic.osbhalifax-bsfhalifax.ic@canada.ca](mailto:ic.osbhalifax-bsfhalifax.ic@canada.ca)

**First National Financial GP Corporation and First National Financial LP**  
c/o D. Bruce Clarke, Q.C.  
Burchells LLP  
1801 Hollis Street, Suite 1800  
Halifax, Nova Scotia B3J 3N4  
By Email: [bclarke@burchells.ca](mailto:bclarke@burchells.ca)



**Second Report of  
KSV Kofman Inc.  
as Receiver of  
3291735 Nova Scotia Limited**

December 19, 2019

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HFX NO.: 474742

**IN THE SUPREME COURT OF NOVA SCOTIA  
(IN BANKRUPTCY AND INSOLVENCY)**

**FIRST NATIONAL FINANCIAL GP CORPORATION AND  
FIRST NATIONAL FINANCIAL LP**

**APPLICANTS**

**- AND -**

**3291735 NOVA SCOTIA LIMITED**

**RESPONDENT**

**SECOND REPORT OF  
KSV KOFMAN INC.  
AS RECEIVER**

**DECEMBER 19, 2019**

## **1.0 Introduction**

1. Pursuant to an order (the "Receivership Order") of the Supreme Court of Nova Scotia (the "Court") issued on May 11, 2018, KSV Kofman Inc. ("KSV") was appointed receiver ("Receiver") of the property, assets and undertaking of 3291735 Nova Scotia Limited (the "Company"). This report ("Report") is filed by KSV as Receiver.
2. The principal asset owned by the Company was the real property municipally described as 1017 – 1021 Beaufort Avenue, Halifax (Unit Nos. 1 – 6 of Halifax County Condominium Corporation, No. 412) (the "Real Property").
3. The primary purpose of the receivership proceedings was to complete a "stalking horse" sale process for the Real Property (the "Sale Process").

### **1.1 Purposes of this Report**

1. The purposes of this Report are to:
  - a) provide background information on these receivership proceedings, including a Court approved transaction with 3308949 Nova Scotia Limited (the "Purchaser");

- b) recommend the Court issue an order:
  - i. approving the Receiver's activities, as described in this Report, the report filed by KSV as Proposed Receiver dated April 5, 2018 and the supplement to the report of the Proposed Receiver dated May 2, 2018 (collectively, the "Reports");
  - ii. approving each of the Reports;
  - iii. approving the fees and disbursements of the Receiver and its legal counsel, Cox & Palmer LLP ("Cox & Palmer"), from the commencement of these proceedings to October 24, 2019, plus an accrual of \$10,000 for fees and costs incurred, or to be incurred, by the Receiver and Cox & Palmer to the completion of these proceedings, exclusive of HST and disbursements (the "Fee Accrual"); and
  - iv. discharging the Receiver.

## 2.0 Background

1. The Real Property is 1.24 acres and is divided into six condominium lots. The Company intended to develop the lots into six homes.
2. David Bryson is the Company's sole officer and director.
3. The following mortgages were registered on title to the Real Property:
  - a) a mortgage in the amount of approximately \$2.9 million held by First National;
  - b) a mortgage in the amount of \$505,000 held by Canadian Western Trust Company; and
  - c) a mortgage in the amount of \$500,000 held by Nick Bryson.

## 2.1 Transaction and Distributions

1. On May 11, 2018, the Court approved the Sale Process, which included an offer submitted by the Purchaser as the "stalking horse" for the Real Property. The stalking horse offer purchase price was \$3.225 million, plus HST. No other offers were submitted during the Sale Process. Accordingly, on June 21, 2018, the Court approved the Transaction and on July 4, 2018, the Receiver completed the Transaction.
2. Pursuant to a Court order issued on June 21, 2018, the Receiver repaid First National in full. The proceeds of realization were insufficient to make any further distributions to creditors.

### **3.0 Statement of Receipts and Disbursements**

1. Attached as Appendix "A" is a final statement of receipts and disbursements from the date of the Receiver's appointment to December 19, 2019 (the "R&D"). The R&D reflects a balance of approximately \$10,000. The Receiver expects the remaining balance to be used to pay any additional professional fees of the Receiver or Cox & Palmer.

### **4.0 Professional Fees**

1. The fees (excluding disbursements and HST) of the Receiver and Cox & Palmer from the commencement of the proceedings to December 19, 2019 total \$74,740.00 and \$20,521.70, respectively. Detailed invoices for the Receiver and Cox & Palmer are provided in Appendix "B" and "C", respectively.
2. The Receiver is of the view that the fees and disbursements incurred by KSV and Cox & Palmer properly reflect the hours worked and are fair and reasonable in the circumstances. The Receiver believes that the Fee Accrual is sufficient to pay the remaining professional costs of these proceedings.

### **5.0 Discharge of the Receiver**

1. Since the Transaction, the Receiver has been attempting to collect income tax and harmonized sales tax refunds (the "Refunds"). The Refunds have now been collected. The Receiver has now completed its administration of these proceedings and the Receiver is of the view that it is now appropriate to seek its discharge.

### **6.0 Summary of Receiver's Activities**

1. A summary of the Receiver's activities since the commencement of the receivership proceedings, include the following:
  - a) corresponding with legal counsel to First National and Cox & Palmer concerning the receivership proceedings;
  - b) meeting with prospective realtors in Halifax;
  - c) preparing a Request for Proposal in connection with retaining a realtor to market the Real Property;
  - d) reviewing the proposals submitted by the realtors and sending a summary of same to First National;
  - e) preparing the Reports;
  - f) preparing a listing agreement between the Receiver and Keller Williams Select Realty Inc., the realtor selected by the Receiver to market the Real Property;

- g) reviewing the sale process application materials prepared by Cox & Palmer, including the bidding procedures and an Agreement of Purchase and Sale between the Purchaser and the Receiver;
- h) reviewing and commenting on several versions of marketing materials in connection with the Sale Process, including an investment summary and a confidential information memorandum;
- i) reviewing an opinion on the First National security prepared by Cox & Palmer;
- j) conducting the Sale Process;
- k) reviewing and executing closing documents in connection with the Transaction; and
- l) preparing, reviewing and filing the Company's tax returns; and
- m) corresponding with Canada Revenue Agency regarding the Refunds;

## 7.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that the Court make an order granting the relief detailed in Section 1.1 (1)(b) of this Report.

\* \* \*

All of which is respectfully submitted,



**KSV KOFMAN INC.,  
SOLELY IN ITS CAPACITY AS RECEIVER OF  
3291735 NOVA SCOTIA LIMITED  
AND NOT IN ITS PERSONAL OR IN ANY OTHER CAPACITY**



## Appendix "A"

Receivership of 3291735 Nova Scotia Limited  
Final Statement of Receipts and Disbursements  
For the Period May 11, 2018 to December 19, 2019  
(\$; unaudited)

Description	Amount
<i>Receipts</i>	
Sale proceeds	3,223,198
CRA refunds	44,915
Sundry receipts	1,379
	<u>3,269,492</u>
<i>Disbursements</i>	
Distribution to First National	2,961,497
Realtor commissions	161,250
HST paid	36,872
Sundry receivership expenses	2,765
Professional fees	
Receiver	74,740
Receiver's legal counsel	20,522
	<u>3,257,646</u>
Estate Bank Balance	<u>11,846</u>



## Appendix "B"



**ksv advisory inc.**

150 King Street West, Suite 2308  
Toronto, Ontario, M5H 1J9  
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F +1 416 932 6266

ksvadvisory.com

---

**INVOICE**

3291735 Nova Scotia Limited  
c/o KSV Kofman Inc.  
150 King Street West, Suite 2308  
Toronto, Ontario M5H 1J9

June 14, 2018

Invoice No: 937  
HST #: 818808768RT0001

**Re: 3291375 Nova Scotia Limited (the "Company")**

For professional services rendered during the period March 1, 2018 to May 31, 2018 by KSV Kofman Inc. in its capacity as proposed receiver and Court-appointed receiver of the Company ("Receiver"), including:

**Pre-receivership Activities**

- Corresponding with McInnes Cooper LLP ("McInnes"), formerly legal counsel to the senior secured lender (the "Secured Lender"), Burchells LLP ("Burchells"), new counsel to the Secured Lender, and Cox & Palmer LLP ("Cox & Palmer"), the Receiver's legal counsel, concerning matters in connection with the receivership application and the receivership proceedings;
- Reviewing information provided by the Secured Lender in connection with the Company's property municipally described as 1017-1021 Beaufort Avenue, Halifax (the "Real Property"), including:
  - the Condo Declaration;
  - Phase One Environmental Report;
  - survey;
  - appraisal; and
  - a commitment letter between the Secured Lender and the Company;
- Interviewing three realtors in Halifax on March 8 and 9, 2018;
- Attending a meeting in Halifax on March 9, 2018 with the Secured Lender and McInnes to discuss the receivership application;
- Attending a meeting in Halifax on March 9, 2018 with the secured lender and David Bryson, the Principal of the Company;

- Attending a meeting in Halifax on March 9, 2018 with Blake Wilson, a mortgage broker, to obtain information regarding the value of the Real Property;
- Preparing a Request for Proposal ("RFP") in connection with retaining a realtor to market the Real Property;
- Sending the RFP on March 13, 2018 to:
  - Keller Williams Select Realty ("Keller Williams");
  - Remax Commercial;
  - Partners Global Corporate Real Estate; and
  - Domus Realty;
- Reviewing the proposals submitted on March 23, 2018 by the realtors;
- Attending a call on March 23, 2018 with McInnes and representatives of the Secured Lender to discuss the receivership application;
- Preparing a summary of the realtor proposals and sending same on March 26, 2018 to the Secured Lender;
- Attending a call on March 27, 2018 with the Secured Lender to discuss the realtor proposals;
- Corresponding with the realtors in connection with their proposals, including attending calls on March 26, 27 and 28, 2018;
- Reviewing and commenting on receivership application materials, including:
  - Notice of Application;
  - Receivership Order;
  - Affidavit of Chris Sebben; and
  - Pre-Hearing Memorandum;
- Preparing the Report of the Proposed Receiver dated April 5, 2018 to, *inter alia*, seek approval of a sale process for the Real Property;
- Preparing a draft listing agreement between the Receiver and Keller Williams (the "Listing Agreement");
- Reviewing an offer ("Offer") received on April 13, 2018 from 3308949 Nova Scotia Limited (the "Purchaser") to purchase the Real Property;
- Attending several calls on April 13, 16, 17 and 18, 2018 with the Secured Lender regarding the Offer;
- Attending a call on April 17, 2018 with the Purchaser and Keller Williams to discuss using the Offer as a "stalking horse" in a sale process;

- Reviewing and commenting on the stalking horse sale process application materials prepared by Cox & Palmer, including the bidding procedures and an Agreement of Purchase and Sale between the Purchaser and the Receiver (the "APS");
- Negotiating the APS with the Purchaser;
- Preparing the Supplement to the Proposed Receiver's Report dated May 2, 2018 to, *inter alia*, seek approval of a "stalking horse" sale process (the "Sale Process");
- Preparing a receivership action plan;
- Attending a call on May 10, 2018 with Burchells regarding the status of the receivership application;
- Attending at Court in Halifax on May 11, 2018 for the receivership application;

#### General Receivership Activities

- Preparing a letter dated May 15, 2018 to the Office of the Superintendent of Bankruptcy to advise of the receivership proceedings;
- Preparing a letter to Royal Bank of Canada ("RBC") requesting that the Company's bank account be restricted to deposits only;
- Corresponding with RBC representatives regarding the Company's bank account;
- Preparing the Receiver's Notice and Statement for the Company, as required under Sections 245 and 246 of the *Bankruptcy and Insolvency Act*;
- Attending a call on May 23, 2018 with the Secured Lender regarding property taxes owing on the Real Property;
- Attending a call on May 24, 2018 with the City of Halifax regarding property taxes owing on the Real Property;
- Corresponding with Stanhope Insurance Limited, the Company's insurer, to obtain proof of insurance for the Real Property;
- Adding the Receiver as a loss payee and named insured on the Company's insurance policy; and
- Corresponding with Mr. Bryson regarding the collectability of receivables owing to the Company;
- Posting Court materials on the Receiver's website;

#### Sale Process

- Revising the Listing Agreement to deal with the "stalking horse" Sale Process;
- Reviewing and commenting on several versions of marketing materials in connection with the Sale Process, including an investment summary and a confidential information memorandum and corresponding with the Secured Lender re same;

- Reviewing and commenting on a newspaper advertisement prepared by Keller Williams;
- Reviewing a virtual data room to be used in connection with the Sale Process;
- Corresponding with Keller Williams in respect of the Sale Process, including telephone calls and emails on May 5, 11, 14, 17, 18, 21, 22, 24, 25, and 28, 2018;
- Reviewing weekly updates from Keller Williams regarding the Sale Process and communicating with representatives of the Secured Lender in this regard;
- Convening internal meetings in connection with our mandate; and
- To all other meetings, correspondence, etc. pertaining to this matter.

Total fees per attached summary	\$	53,147.00
HST		<u>6,909.11</u>
Total		<u>60,056.11</u>

KSV Kofman Inc.  
3291735 Nova Scotia Limited  
**Time Summary**  
For the period March 1, 2018 to May 31, 2018

<u>Personnel</u>	<u>Rate (\$)</u>	<u>Hours</u>	<u>Amount (\$)</u>
Robert Kofman	700	15.90	11,130.00
Noah Goldstein	550	73.50	40,425.00
Other Staff and Administration		8.35	1,592.00
Total Fees			<u>53,147.00</u>



**ksv advisory inc.**

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Toronto, Ontario, M5H 1J9  
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**INVOICE**

3291735 Nova Scotia Limited  
c/o KSV Kofman Inc.  
150 King Street West, Suite 2308  
Toronto, ON M5H 1J9

July 11, 2018

Invoice No: 1030  
HST #: 818808768RT0001

**Re: 3291375 Nova Scotia Limited (the "Company")**

For professional services rendered during the period during June, 2018 by KSV Kofman Inc. in its capacity as proposed receiver and Court-appointed receiver of the Company ("Receiver"), including:

- Corresponding with Cox & Palmer LLP ("Cox & Palmer"), the Receiver's legal counsel, concerning matters in connection with the receivership proceedings;
- Corresponding with Keller Williams Select Realty, the listing broker engaged to sell the Company's real property located at 1017-1021 Beaufort Avenue, Halifax (the "Real Property"), regarding a sale process for the Real Property;
- Preparing the Receiver's First Report to Court dated June 14, 2018 to recommend, *inter alia*, the sale of the Real Property (the "Transaction");
- Reviewing motion materials prepared by Cox & Palmer regarding the Transaction;
- Reviewing a security opinion prepared by Cox & Palmer for the security held by First National Financial GP Corporation ("First National") on the Real Property;
- Reviewing a Statement of Adjustments in connection with the Transaction;
- Reviewing and executing closing documents in connection with the Transaction;
- Corresponding with Swain Chartered Professional Accountants, the Company's external accountants, regarding the collectability of receivables owing to the Company;
- Preparing a waterfall schedule to determine the amounts available for distribution to First National;
- Posting Court materials on the Receiver's website;

- Convening internal meetings in connection with our mandate; and
- To all other meetings, correspondence, etc. pertaining to this matter.

Total fees per attached summary	\$	8,743.00
HST		<u>1,136.59</u>
Total		<u>9,879.59</u>

KSV Kofman Inc.  
3291735 Nova Scotia Limited  
**Time Summary**  
For the month ending June, 2018

<u>Personnel</u>	<u>Rate (\$)</u>	<u>Hours</u>	<u>Amount (\$)</u>
Robert Kofman	560	6.05	3,388.00
Noah Goldstein	440	12.00	5,280.00
Other Staff and Administration		0.50	75.00
Total Fees			<u>8,743.00</u>



**ksv advisory inc.**

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---

**INVOICE**

3291735 Nova Scotia Limited  
c/o KSV Kofman Inc.  
150 King Street West, Suite 2308  
Toronto, ON M5H 1J9

December 19, 2019

Invoice No: 1519  
HST #: 818808768RT0001

**Re: 3291375 Nova Scotia Limited (the "Company")**

For professional services rendered for the period from July 1, 2018 to December 19, 2019 by KSV Kofman Inc. in its capacity as proposed receiver and Court-appointed receiver of the Company ("Receiver"), including:

- Corresponding with Cox & Palmer LLP, the Receiver's legal counsel, concerning matters in connection with the receivership proceedings;
- Dealing extensively with Canada Revenue Agency regarding obtaining harmonized sales tax and corporate income tax refunds (the "Refunds");
- Corresponding with Swain Chartered Professional Accountants, the Company's external accountants, regarding the Company's outstanding income tax returns;
- Corresponding with representatives of the secured lender regarding the outstanding Refunds;
- Reviewing and filing the Company's outstanding income tax returns;
- Corresponding with David Bryson, the former principal of the Company, regarding the Refunds and the outstanding matters in the Receiver's administration;
- Preparing the Second Report of the Receiver seeking, *inter alia*, the Receiver's discharge;
- Preparing a final statement of receipts and disbursements for the period from the commencement of the receivership proceedings to December 19, 2019;
- Convening internal meetings in connection with our mandate; and

- To all other meetings, correspondence, etc. pertaining to this matter.

Total fees per attached summary	\$	12,850.00
HST		<u>1,670.50</u>
Total		<u><u>14,520.50</u></u>

KSV Kofman Inc.  
3291735 Nova Scotia Limited  
**Time Summary**  
For the period July 1, 2018 to December 19, 2019

<u>Personnel</u>	<u>Rate (\$)</u>	<u>Hours</u>	<u>Amount (\$)</u>
Robert Kofman	560	6.25	3,500.00
Noah Goldstein	440	21.25	9,350.00
Total Fees			<u>12,850.00</u>



## Appendix "C"

BY WIRE

P.O. Box 2380  
1100-1959 Upper Water Street  
Purdy's Wharf Tower 1  
Halifax, NS B3J 3E5

Tel: (902) 421-6262  
Fax: (902) 421-3130  
www.coxandpalmerlaw.com

NOVA SCOTIA | NEW BRUNSWICK | PRINCE EDWARD ISLAND | NEWFOUNDLAND & LABRADOR

# COX & PALMER

The difference is a great relationship

KSV Advisory Inc.  
150 King Street West  
Suite 2308, Box 42  
Toronto, ON M5H 1J9

June 7, 2018  
File #10039790-00001  
HST REG.#R119436244  
Client # 10039790

## INVOICE SUMMARY

Invoice # 101037849  
RE: Receivership of 3291735 Nova Scotia Limited

<b>Previous Balance</b>	\$0.00
<b>Interest on Overdue Amount</b>	\$0.00
Professional Fees for this Invoice	13,045.50
Other Taxable Charges	175.35
Other Non-Taxable Charges	72.75
Taxable Disbursements for this Invoice	110.00
Non-Taxable Disbursements for this Invoice	100.00
HST	1,733.02
<b>Total Invoice</b>	<u>\$15,236.62</u>
<b>BALANCE NOW DUE</b>	<u>\$15,236.62</u>

\*\*\*Please return this page with your payment if paying by cheque\*\*\*

To pay by online banking, please add Cox & Palmer as a payee and enter 1003979000001 when prompted for an account.

Payment Options: Wire, Cash, Cheque, VISA, MasterCard, In Office Debit, Online Banking

### Terms:

An interest charge of 12% per annum is payable on the balance not paid within 45 days of the date of the invoice.

Thank you for your business.

P.O. Box 2380  
1.100-1959 Upper Water Street  
Purdy's Wharf Tower 1  
Halifax, NS B3J 3E5

Tel: (902) 421-6262  
Fax: (902) 421-3130  
www.coxandpalmerlaw.com

NOVA SCOTIA | NEW BRUNSWICK | PRINCE EDWARD ISLAND | NEWFOUNDLAND & LABRADOR

# COX & PALMER

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Page 1

KSV Advisory Inc.  
150 King Street West  
Suite 2308, Box 42  
Toronto, ON M5H 1J9

June 7, 2018  
File #10039790-00001  
Your Ref:  
HST REG.#R119436244  
Client # 10039790

Invoice #:101037849

FOR PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THIS MATTER:

RE: Receivership of 3291735 Nova Scotia Limited

02 Apr 18	GDM	Telephone conference with Noah Goldstein; review draft report; markup same and email to Mr. Goldstein; review submissions of counsel to the lender.	2.00 hrs.
03 Apr 18	GDM	Voice mail to receiver; telephone conferences with Ben Durnford regarding service and report; telephone conference with receiver regarding borrowing; emails regarding report.	2.00 hrs.
04 Apr 18	GDM	Review of email from Ben Durnford; telephone conference with Ben Durnford; telephone conferences with Noah Goldstein and Ben Durnford regarding finalizing receivership borrowing terms.	1.50 hrs.
05 Apr 18	GDM	Telephone conference with receiver and telephone conference with Ben Durnford; finalize receiver's report and various emails regarding same.	2.00 hrs.
08 Apr 18	GDM	Review and mark up listing agreement and email regarding same with receiver.	1.00 hrs.
09 Apr 18	GDM	Markup and email receiver listing agreement; emails regarding sale approval process; voice mail from solicitor to first lien holder.	2.00 hrs.
10 Apr 18	GDM	Emails regarding adjournment.	0.20 hrs.
13 Apr 18	GDM	Telephone conference with Noah Goldstein; email Noah Goldstein regarding possible stalking horse bid.	0.50 hrs.
17 Apr 18	GDM	Telephone conference with client; review emails regarding stalking horse agreement materials.	1.00 hrs.
18 Apr 18	GDM	Telephone conference with client; review emails regarding stalking horse agreement materials.	1.00 hrs.
20 Apr 18	GDM	Prepare Stalking Horse Asset Purchase Agreement and bidding terms; draft Stalking Horse orders; various emails with client.	4.00 hrs.

# COX & PALMER

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Page 2

20 Apr 18	CC	Office conference with Gavin MacDonald to obtain instructions to title search the purchased assets of 3291735 Nova Scotia Limited.	0.10 hrs.
23 Apr 18	GDM	Telephone conference with Noah Goldstein; Revise Agreement of Purchase and Sale and bidding procedures; Various emails to finalize drafts	3.00 hrs.
26 Apr 18	GDM	Email and telephone conference with client regarding status of stocking horse process; emails regarding adjournment.	0.50 hrs.
27 Apr 18	GDM	Email exchange with Noah Goldstein regarding bid procedures amendment; telephone conference with Noah Goldstein regarding status of stalking horse process; telephone conference with solicitor to stalking horse bidder; emails regarding APS and draft supplemental report.	0.70 hrs.
28 Apr 18	CC	Commence review of easements regarding properties in Stalking Horse Bid for Gavin MacDonald.	1.00 hrs.
29 Apr 18	CC	Continue review of easements regarding properties in Stalking Horse Bid for Gavin MacDonald; draft memo regarding easements.	4.00 hrs.
30 Apr 18	GDM	Mark up report and emails regarding same; various emails regarding stalking horse agreement and follow up regarding deposit.	2.50 hrs.
01 May 18	GDM	Compile materials for filing and follow up regarding deposit.	1.00 hrs.
02 May 18	GDM	Finalize supplemental report; draft submissions and revise order.	3.00 hrs.
08 May 18	GDM	Report email regarding status.	0.20 hrs.
10 May 18	GDM	Telephone conference with Noah Goldstein; voice mail to solicitor for the stalking horse purchaser; various emails regarding hearing.	0.50 hrs.
11 May 18	GDM	Preparation for and attendance at receivership hearing; office conference with client; prepare notices of receivership.	1.50 hrs.
14 May 18	CN	Review instructions from Gavin MacDonald and applicable documents to register a notice of receivership under the Personal Property Security Act; Prepare and file a new registration; Conduct a post-registration search; Forward filing confirmation and post-registration search results to Gavin.	0.40 hrs.
17 May 18	GDM	Email regarding property taxes.	0.10 hrs.
17 May 18	CN	Call the HRM for verbal tax information; Summarize and forward results to Gavin MacDonald.	0.30 hrs.
18 May 18	GDM	Report email regarding registration of appointment.	0.30 hrs.
23 May 18	ND	Filing of notice of appointment of receiver with registry.	0.10 hrs.

P.O. Box 2380  
1100-1959 Upper Water Street  
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Halifax, NS B3J 3E5

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Fax: (902) 421-3130  
www.coxandpalmerlaw.com

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Page 3

TOTAL FEES: \$13,045.50

## FEE SUMMARY

Gavin D. MacDonald	30.50 hrs.	\$400.00
Nadine Dash	0.10 hrs.	\$150.00
Corinna Niekamp	0.70 hrs.	\$130.00
Chika Chiekwe	5.10 hrs.	\$145.00
	<hr/>	
	36.40 hrs.	

### **Non-Taxable Other Charges:**

PPSA - registration (non-taxable)	\$72.75
Total Non-Taxable Other Charges:	<hr/>
	\$72.75

### **Taxable Other Charges:**

Library Research	\$14.35
PPSA - Search	8.75
Printing (in-house)	145.95
Scanning	6.30
Total Taxable Other Charges	<hr/>
	\$175.35

Total Other Charges	<hr/>
	\$248.10

### **Non-taxable disbursements:**

Registry of Deeds - Recording/Registration (NT)	\$100.00
Total Non-Taxable Disbursements:	<hr/>
	\$100.00

### **Taxable disbursements:**

Delivery & courier	\$50.00
Tax Information Request Fee	60.00
Total Taxable Disbursements	<hr/>
	\$110.00

Total Disbursements	<hr/>
	\$210.00

### **SUMMARY:**

Professional Fees for this Invoice	\$13,045.50
HST on Professional Fees	1,695.92
Total Professional Fees Including Taxes	<hr/>
	\$14,741.42

Taxable Other Charges	\$175.35
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Non-Taxable Other Charges	\$72.75
HST on Other Charges	22.80
Total Other Charges Including Tax	<u>\$270.90</u>
Taxable Disbursements for this Invoice	110.00
Non-Taxable Disbursements for this Invoice	100.00
HST on Disbursements	14.30
Total Disbursements Including Tax	<u>\$224.30</u>
Total Invoice	<u>\$15,236.62</u>
<b>Balance now due</b>	<u><u>\$15,236.62</u></u>

CR#06

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KSV Advisory Inc.  
150 King Street West  
Suite 2308, Box 42  
Toronto, ON M5H 1J9

August 8, 2018  
File #10039790-00001  
Your Ref:  
HST REG.#R119436244  
Client # 10039790

Invoice #:101040591  
FOR PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THIS MATTER:  
RE: Receivership of 3291735 Nova Scotia Limited

06 Jun 18	GDM	Review security and prepare review opinion.	2.00 hrs.
08 Jun 18	GDM	Emails regarding security review opinion.	0.40 hrs.
10 Jun 18	GDM	Finalize security review opinion.	0.50 hrs.
11 Jun 18	GDM	Finalize security review opinion and email same.	1.00 hrs.
11 Jun 18	CN	Conduct a Personal Property Security Act search; Forward results to Gavin MacDonald's assistant.	0.10 hrs.
12 Jun 18	GDM	Email exchange regarding court hearing.	0.30 hrs.
14 Jun 18	GDM	Review and mark up report regarding sale.	1.00 hrs.
15 Jun 18	GDM	Prepare sale approval motion documents; file and serve same; telephone conference with client regarding status.	4.00 hrs.
21 Jun 18	GDM	Preparation for and attendance at hearing to approve sale; telephone conference with solicitor to the purchaser regarding closing; telephone conference with client regarding status; draft conveyance documents.	3.00 hrs.
22 Jun 18	GDM	Revise conveyance documents; prepare adjustments.	0.50 hrs.
22 Jun 18	CN	Review Property Online; Call the HRM for verbal tax information; Summarize and forward results to Gavin MacDonald.	0.60 hrs.
24 Jun 18	GDM	Email exchange with client and solicitor to the purchaser; revisions to conveyance documents based on client comments and email same.	0.50 hrs.
25 Jun 18	GDM	Various emails regarding adjustments on closing.	0.40 hrs.
25 Jun 18	SLG	Instructions from Avery to assist with file; review of email and draft adjustments; revisions to adjustments.	0.70 hrs.
26 Jun 18	GDM	Emails regarding timing of closing.	0.40 hrs.
27 Jun 18	GDM	Review of emails and telephone conference with Noah Goldstein regarding extension to closing date.	0.50 hrs.

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28 Jun 18	GDM	Various emails regarding closing.	0.30 hrs.
28 Jun 18	SLG	Instructions from Gavin MacDonald; review of adjustments; calculation of additional tax information; revisions to tax adjustments.	0.90 hrs.
29 Jun 18	GDM	Emails regarding final adjustments and escrow closing letter.	1.00 hrs.
29 Jun 18	AR	Document hand delivery to McInnes Cooper for Gavin MacDonald	0.20 hrs.
03 Jul 18	GDM	Attendance to various closing matters.	1.00 hrs.
23 Jul 18	GDM	Telephone conference with Noah Goldstein and email regarding final report.	0.30 hrs.

TOTAL FEES:

\$7,164.00

## FEE SUMMARY

Gavin D. MacDonald	17.10 hrs.	\$400.00
Shannon L. Gale	1.60 hrs.	\$130.00
Corinna Niekamp	0.70 hrs.	\$130.00
Alexander Rimmington	0.20 hrs.	\$125.00
	<u>19.60 hrs.</u>	

### **Taxable Other Charges:**

PPSA - Search	\$8.75
Printing (in-house)	33.95
Scanning	1.50
Total Taxable Other Charges	<u>\$44.20</u>

Total Other Charges

\$44.20

### **Non-taxable disbursements:**

Prothonotary's Fees (NT)	\$66.00
Registry of Deeds - Recording/Registration (NT)	100.00
Total Non-Taxable Disbursements:	<u>\$166.00</u>

### **Taxable disbursements:**

Bank Fees	\$15.00
Delivery & courier	27.00
Tax Information Request Fee	60.00
Total Taxable Disbursements	<u>\$102.00</u>

Total Disbursements

\$268.00

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**SUMMARY:**

Professional Fees for this Invoice	\$7,164.00
HST on Professional Fees	931.32
Total Professional Fees Including Taxes	<u>\$8,095.32</u>
Taxable Other Charges	\$44.20
HST on Other Charges	5.75
Total Other Charges Including Tax	<u>\$49.95</u>
Taxable Disbursements for this Invoice	102.00
Non-Taxable Disbursements for this Invoice	166.00
HST on Disbursements	13.26
Total Disbursements Including Tax	<u>\$281.26</u>
Total Invoice	<u>\$8,426.53</u>
<b>Balance now due</b>	<u><b>\$8,426.53</b></u>

2018

Hfx No. 474742

Supreme Court of Nova Scotia  
In Bankruptcy and Insolvency

In the Matter of the Receivership of 3291735 Nova Scotia Limited

Between:

**FIRST NATIONAL GP CORPORATION and  
FIRST NATIONAL FINANCIAL LP**

Applicants

and

**3291735 NOVA SCOTIA LIMITED**

Respondent

**ORDER DISCHARGING RECEIVER**

BEFORE THE HONOURABLE \_\_\_\_\_ IN CHAMBERS

WHEREAS an Order was issued May 11, 2018 appointing KSV Kofman Inc. (the “Receiver”) as Receiver of the Respondent, 3291735 Nova Scotia Limited.

UPON reading the Second Report of the Receiver dated December 19, 2019 (the “Report”) and the other material on file herein;

AND UPON HEARING Gavin MacDonald on behalf of the Receiver, it is hereby ordered that:

**APPROVAL OF ACTIVITIES AND ACCOUNTS**

1. The activities of the Receiver in this proceeding as set out in the Report and prior reports of the Receiver on file be and are hereby approved.
2. The fees and disbursements of the Receiver and its counsel as set out in the Report be and are hereby taxed and approved.

**RECEIVER’S DISCHARGE**

3. The Receiver is hereby discharged provided, however, that notwithstanding its discharge herein, the Receiver shall:
  - (a) Remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and

Form 78.05

- (b) Continue to have the benefit of all Orders made in these proceedings, including all approvals, protections, and stays of proceedings in favour of PricewaterhouseCoopers Inc. as Receiver.

DATED at Halifax, in the Province of Nova Scotia, this \_\_\_\_ day of \_\_\_\_\_, 2020.

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Prothonotary