

**2019 01G 2868**

**IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR**

**GENERAL DIVISION**

**IN THE MATTER OF:**

An Application by BRITISH CONFECTIONERY COMPANY LIMITED and BRITISH BAZAAR COMPANY LIMITED for relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.

SUMMARY OF CURRENT DOCUMENT	
Court File No.	2019 01G 2868
Date of filing of document:	July 26, 2019
Name of filing party or person:	Deloitte Restructuring Inc. (Court Appointed Monitor)
Application to which document being filed relates:	Discharge of the Monitor
Statement of purpose in filing:	Third Report of the Monitor

**District of: Newfoundland and Labrador**

**Division No: 01 – Newfoundland and Labrador**

**Court No: 2019 01G 2868**

**Estate No: 51-2440230 & 51-2440231**

**Third Report of the Monitor  
pursuant to section 23 (1) of the  
Companies' Creditors Arrangement Act ("CCAA")**

**July 26, 2019**

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## **1.0 INTRODUCTION AND BACKGROUND**

- 1.1 British Confectionery Company Limited ("Confectionery") was incorporated in Newfoundland and Labrador on February 27, 1962. The shares of Confectionery are wholly owned by British Confectionery Company 1982 Limited ("1982").
- 1.2 British Bazaar Company Limited ("Bazaar") was incorporated in Newfoundland and Labrador on May 4, 1992. The shares of Bazaar are wholly owned by Confectionery.
- 1.3 1982 was incorporated in Newfoundland and Labrador on December 23, 1982 and was previously owned by David Connolly Sr. In September 2017, 1982 was purchased by BMC Holdings Inc., a company wholly owned by Blair Connolly (son of David Connolly Sr.).
- 1.4 In February 2018, BMC Holdings Inc. sold 50% of its interest in 1982 to Carosielli Enterprises Inc., which operates as Bingo Servi-Jeux ("Servi-Jeux").
- 1.5 Confectionery and Bazaar (referred to collectively herein as "British" or the "Company") represent the primary operating entities of the group. Confectionery operates a manufacturing facility out of leased premises located at 465 East White Hills Road, St. John's, Newfoundland and Labrador. This facility specializes in the production of specialty paper products; specifically, break-open lottery and promotional products.
- 1.6 Bazaar is a wholly owned subsidiary of Confectionery, which owns and administers customer contracts for the purchase of break-open lottery and promotional products. To fulfill these contracts, Bazaar purchases tickets directly from Confectionery. Outside of the purchase and sale of tickets from Confectionery, there appears to be no other significant economic activity within Bazaar.
- 1.7 As noted in British's consolidated externally prepared financial statements, a significant portion of revenue is generated from two customers: Atlantic Lottery Corporation ("ALC") and British Columbia Lottery Corporation ("BCLC"). According to these financial statements, during fiscal 2017 these customers represented approximately 64% of total revenue.
- 1.8 On October 31, 2018, Confectionery, Bazaar and David Connolly Sr. received a demand for repayment of outstanding amounts owing and a notice of intention to enforce security from the Bank of Montreal ("BMO").
- 1.9 On November 5, 2018, Confectionery and Bazaar filed Notices of Intention to Make a Proposal pursuant to section 50.4 of the BIA (the "NOI Filing"). Deloitte Restructuring Inc. ("Deloitte") consented to act as the Licensed Insolvency Trustee (the "Proposal Trustee") under the NOI Filing.
- 1.10 On December 4, 2018, the Supreme Court of Newfoundland and Labrador (the "Court") granted an order extending the stay of proceedings from December 5, 2018 up to and including January 18, 2019 (the "First Extension Order").
- 1.11 In addition, on December 4, 2018, the Court granted an order pursuant to Section 7.02 of the *Rules of the Supreme Court, 1986*, consolidating the administration of Confectionery and Bazaar's proceedings.
- 1.12 On January 15, 2019, the Court granted an order extending the stay of proceedings from January 18, 2019 up to and including March 5, 2019 (the "Second Extension Order").

- 1.13 In addition, on January 15, 2019, the Court granted an order providing an administration charge covering the professional fees of the Proposal Trustee, counsel to the Proposal Trustee and counsel of the Company (the "Administration Charge").
- 1.14 On March 1, 2019, the Court granted an order extending the stay of proceedings from March 5, 2019 up to and including April 4, 2019 (the "Third Extension Order").
- 1.15 On April 4, 2019, the Court granted an order extending the stay of proceedings from April 4, 2019 up to and including May 5, 2019 (the "Fourth Extension Order").
- 1.16 On May 1, 2019, the Court granted an order (the "Initial Order") under the CCAA granting certain relief to the Company up to and including May 27, 2019.
- 1.17 As part of the Initial Order, Deloitte was appointed as Monitor (referred to throughout as the "Monitor") under these CCAA Proceedings.
- 1.18 In addition, on May 1, 2019, the Court granted an order providing an administration charge covering the professional fees of the Monitor, counsel to the Monitor and counsel of the Company (the "CCAA Administration Charge").
- 1.19 On May 27, 2019, the Court granted an order extending the stay of proceedings from May 27, 2019 up to and including July 10, 2019 (the "Second CCAA Extension Order").
- 1.20 On July 11, 2019, the Second CCAA Extension Order expired and the Company did not seek a further extension from the Court, nor did it file a plan of arrangement. As such, effective July 11, 2019, the stay of proceedings was lifted and creditor rights were revived.

## **2.0 TERMS OF REFERENCE**

- 2.1 In preparing this Third Report, the Monitor has relied upon discussions with BoyneClarke LLP, the Company's legal counsel and Ellsworth Johnson & Partners, the Monitor's legal counsel.
- 2.2 The financial information of the Company has not been audited, reviewed or otherwise verified by the Monitor as to its accuracy or completeness, nor has it necessarily been prepared in accordance with generally accepted accounting principles and the reader is cautioned that the Third Report may not disclose all significant matters about the Company. Additionally, none of our procedures were intended to disclose defalcations or other irregularities. Were we to perform additional procedures or to undertake an audit examination of the financial statements in accordance with generally accepted auditing standards, additional matters may have come to our attention. Accordingly, the Monitor does not express an opinion or provide any other form of assurance on the financial or other information presented herein. The Monitor may refine or alter its observations as further information is obtained or brought to its attention after the date of the Third Report.
- 2.3 The Monitor assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction or use of the Third Report. Any use which any party makes of the Third Report, or any reliance or decisions to be made on the Third Report, is the sole responsibility of such party.
- 2.4 All dollar amounts identified in the Third Report are expressed in or converted to Canadian dollars.

2.5 Prior to its appointment as Monitor under the CCAA Proceedings, Deloitte was appointed as Proposal Trustee under the NOI Filing (collectively, the "Insolvency Proceedings"). Throughout the Third Report, we will refer to the Deloitte as the Monitor.

2.6 The purpose of the Third Report is to provide the Court with the following:

- (i) A summary of the activities of the Monitor since the date of the Second Report.
- (ii) A review of the Monitor's request for an order approving the reports, conduct and activities of the Monitor and its legal counsel, approving the accounts of the Monitor and the Monitor's counsel, and discharging the Monitor (the "Discharge Order").
- (iii) A review of such other matters as may be incidental to the conclusion of the Monitor's mandate.

### **3.0 MONITOR'S ACTIVITIES**

3.1 Since the date of the Second Report, the Monitor's activities have included, but were not limited to:

- (i) monitoring actual cash flow and reporting on variances to the Second CCAA Cash Flow;
- (ii) holding discussions with representatives of Tourism Culture, Industry and Innovation, BMO, and Atlantic Canada Opportunities Agency in order to provide updates regarding a potential plan of arrangement (the "POA") and potential asset sale process;
- (iii) participating and holding discussions with parties who had previously expressed interest in purchasing the assets of the Company;
- (iv) working in conjunction with its legal counsel in order to review the security position of the senior secured creditors, and discuss issues arising in relation to intellectual property;
- (v) reporting to the Court and the Service List pursuant to the CCAA Administration Charge Order;
- (vi) communicating with creditors regarding the termination of the CCAA Proceedings;
- (vii) holding discussions with Management, legal counsel of the Company, the strategic partner and legal counsel of the Monitor regarding the POA, a potential stalking horse bid and various other administrative matters arising during the period; and
- (viii) attending the July 10, 2019 Court hearing.

### **4.0 CONDUCT OF DELOITTE RESTRUCTURING INC.**

4.1 The Monitor has put forth a motion to the Court, seeking approval of the reports, conduct and activities of the Monitor to date.

4.2 Since the date of the NOI Filing, the Monitor has filed seven reports with the Court (the "Reports") relating to these Insolvency Proceedings. Copies of the Reports, all of which have been previously circulated to the Service List, can be located at the Monitor's website as follows:

[www.insolvencies.deloitte.ca/en-ca/British-Bazaar-and-British-Confectionery](http://www.insolvencies.deloitte.ca/en-ca/British-Bazaar-and-British-Confectionery)

- 4.3 The Monitor is of the opinion that it has acted diligently and in good faith in respect of all matters relating to these Insolvency Proceedings and in dealing with the Company's stakeholders.
- 4.4 The Monitor is of the opinion that the issuance of the Order approving of the Monitor's reporting, activities and conduct, as presented herein, is justified in this matter. The Monitor has acquitted itself throughout these Insolvency Proceedings in a manner befitting an officer of the Court.

## **5.0 ACCOUNTS OF THE MONITOR AND MONITOR'S COUNSEL**

- 5.1 The Monitor has put forth a motion to the Court, seeking Court approval of the fees and disbursements of the Monitor and Monitor's counsel and discharge of the Monitor (the "Discharge Order").
- 5.2 The Monitor has prepared and enclosed a schedule of invoices presented by Deloitte for the period October 31, 2018 up to and including July 10, 2019; a copy of which is attached as Appendix A.
- 5.3 The Monitor understands that Bruce Johnson, who has carriage of this matter from Ellsworth Johnson & Partners ("EJP"), has provided an Affidavit to the Court substantiating the fees and disbursements of the Monitor's counsel (the "Johnson Affidavit"); a copy of which is attached as Appendix B.
- 5.4 The Monitor has reviewed the accounts of EJP contained within the Johnson Affidavit and believes that they are reasonable. The Monitor has received valuable, comprehensive and ongoing legal advice from its counsel throughout the course of these Insolvency Proceedings. EJP has actively participated in discussions with all stakeholders of these proceedings and has substantively assisted the Monitor in the carrying out of its duties in the course of these Insolvency Proceedings.
- 5.5 The Monitor is of the view that the rates of EJP are consistent with those of other Atlantic Canadian law firms providing insolvency and restructuring advice in Insolvency Proceedings.
- 5.6 Deloitte, EJP and BoyneClarke LLP (collectively the "Insolvency Professionals") have outstanding professional fees relating to these Insolvency Proceedings that will be paid from the Administration Charge. The Insolvency Professionals are in discussions regarding the allocation and will not require Court involvement at this juncture.
- 5.7 The Monitor is of the view that it is just and reasonable for the Court to provide the Discharge Order as contained herein and to provide the Monitor and its counsel with protections as part of the orderly termination of these CCAA Proceedings.

## **6.0 TERMINATION OF CCAA PROCEEDINGS**

- 6.1 The Second Extension Order, granted by the Court on May 27, 2019, expired on July 10, 2019.
- 6.2 The Monitor recommends that these CCAA Proceedings be terminated effective upon issuance of a Discharge Certificate as defined in the Discharge Order, as there is no longer a requirement for their continuation.

**7.0 CONCLUSION**

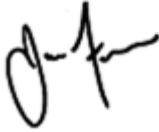
- 7.1 The Third Report has been prepared to provide this Court with information regarding the Monitor's activities since the date of the Second Report, the Monitor's request for the Discharge Order and the Termination of these CCAA Proceedings.

All of which is respectively submitted on July 26, 2019.

**DELOITTE RESTRUCTURING INC.**

Acting in its capacity as  
Monitor of British Confectionery Company Limited and  
British Bazaar Company Limited  
and not in its personal capacity.

Per:

A handwritten signature in black ink, appearing to read 'J. Foran', with a stylized flourish at the end.

**James Foran, CPA, CA, CIRP, LIT**  
Vice President



**Appendix A – Summary of Professional Fees of Deloitte Restructuring Inc.**

**British Confectionery Company Limited ("BCCL") and British Bazaar Company Limited ("BBCL")**  
**Summary of professional fees of Deloitte Restructuring Inc. and Ellsworth Johnson & Partners**  
**Prepared by Deloitte Restructuring Inc. on July 16, 2019**

Invoice Date	Invoice #	Professional fees (note 1)	Legal fees (note 2)	Disbursements	HST	Total amount invoiced
28-Nov-18	8000314415	31,367.05	-	-	4,705.06	36,072.11
12-Dec-18	8000334952	15,231.45	-	2,171.01	2,610.37	20,012.83
3-Jan-19	8000355386	19,543.55	-	1,511.67	3,158.28	24,213.50
28-Jan-19	8000386050	21,841.38	-	-	3,276.21	25,117.59
8-Feb-19	8000406898	16,776.00	-	2,323.76	2,864.96	21,964.72
23-Feb-19	8000430130	9,284.93	-	-	1,392.74	10,677.67
12-Mar-19	8000460213	14,118.65	-	-	2,117.80	16,236.45
27-Mar-19	8000487144	5,111.93	-	-	766.79	5,878.72
17-Apr-19	8000525810	11,093.23	-	1,106.96	1,830.03	14,030.22
29-Apr-19	8000542472	6,600.30	-	1,478.65	1,211.84	9,290.79
3-May-19	8000553886	11,684.40	-	-	1,752.66	13,437.06
22-May-19	8000592951	16,357.63	-	596.00	2,543.04	19,496.67
5-Jun-19	8000625015	14,511.88	-	1,869.76	2,457.25	18,838.89
14-Jun-19	8000635984	12,016.10	-	-	1,802.42	13,818.52
11-Jul-19	8000676637	17,510.55	10,459.50	1,308.01	4,391.71	33,669.77
		223,049.03	-	12,365.82	36,881.16	282,755.51
Closing accrual	Estimate (note 3)	20,000.00	9,190.12	498.00	4,568.93	34,257.05
		243,049.03	9,190.12	12,863.82	41,450.09	317,012.56

note 1 The above amounts are professional fees of Deloitte Restructuring Inc.

note 2 The above amounts are legal fees of Ellsworth, Johnson and Partners

note 3 The above amounts represent an estimate to bring the estate to closure subsequent to July 10, 2019.



**Invoice 8000314415**

**Deloitte LLP**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: November 28, 2018  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris  
HST Registration: 133245290RT0001

**For professional services rendered**

**Fees**

Billing with respect to our engagement letter dated November 5, 2018 relating to the filing of the NOI, including, but not limited to the following:

- Discussions with Management and legal council;
- Creditor communication with respect to NOI filing;
- NOI cash flow creation and monitoring; and
- Preparation of First report for Court

Please see attached appendix.

**Sales Tax**

HST applicable	29,315.00
Administrative Expense	2,052.05
HST at 15.00%	<u>4,705.06</u>
<b>Total Amount Due (CAD)</b>	<b><u>36,072.11</u></b>

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Invoice Number 8000314415

November 28, 2018

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000314415	36,072.11	Payment for invoice 8000314415

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1



### Summary of Fees

For the period October 31, 2018 to November 16, 2018

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	22.0	\$ 520	\$ 11,440.00
Kurt Macleod	Manager	30.5	\$ 325	\$ 9,912.50
Colleen O'Brien	Manager	24.5	\$ 325	\$ 7,962.50
<b>Total:</b>		<b>77.0</b>		<b>\$ 29,315.00</b>

Date	Name	Hours	Descriptions
10/31/2018	Harris, Mathew	2.0	Calls with management, review documents
11/1/2018	Harris, Mathew	2.5	Calls with management/Hill/counsel; review documents,
11/2/2018	Harris, Mathew	3.0	Calls with management, Hill
11/5/2018	Macleod, Kurt	8.0	Preparing documents for filing of NOI, meetings with Blair Connolly in Halifax. Preparing engagement letter, discussions with conflict team, other file administration.
11/5/2018	O'Brien, Colleen	6.0	Prepared filing documents for NOI - British
11/5/2018	Harris, Mathew	6.0	Meetings with management, filing of NOI, calls with stakeholders
11/6/2018	O'Brien, Colleen	1.0	Prepare for NOI creditor mail out - British
11/6/2018	Harris, Mathew	1.0	Calls with BMO, management
11/7/2018	O'Brien, Colleen	7.0	Prepare for creditor mail out - British
11/8/2018	Macleod, Kurt	4.0	Meetings with Ron Burke and Blair focusing on process, monitoring procedures and initial review of the cash flow. Creating summary page.
11/8/2018	O'Brien, Colleen	6.0	Creditor mail out, set up Deloitte webpage,- British
11/8/2018	Harris, Mathew	2.5	Meet with Ron, review info
11/9/2018	Macleod, Kurt	4.0	Additional meetings Blair and Ron. Calls with Venders. Dealing with Ariva deliveries and production schedule. Additional review of the cash flow.
11/9/2018	O'Brien, Colleen	4.0	Finalize creditor mailout for British
11/9/2018	Harris, Mathew	1.0	Calls with management, meet Ron/Kurt
11/12/2018	Macleod, Kurt	5.5	Meeting with Blair and Ron to work on cash flow analysis, discussing "other sales", reviewing production schedule and asking questions regarding projections. making formatting adjustments to the summary. Inputting prior week actuals.
11/13/2018	Macleod, Kurt	4.5	Finalizing cash flow, telephone discussions with Mat and British Team, formatting preparation of assumptions and other statutory documents. Dealing with ADP issues.
11/13/2018	Harris, Mathew	1.5	Various calls with management
11/14/2018	Macleod, Kurt	2.0	Calls with suppliers answering questions regarding the process. Working with Colleen Obrien to e file the cash flow.
11/14/2018	O'Brien, Colleen	0.5	E-filing Cash flows
11/14/2018	Harris, Mathew	1.0	Calls with management
11/15/2018	Harris, Mathew	1.0	Calls with management
11/16/2018	Macleod, Kurt	2.5	Initial work drafting first report. Meetings with Ron Burke and Blair Connolly re: proposal/next steps and plan for next week.
11/16/2018	Harris, Mathew	0.5	Calls with management
		<b>77.0</b>	



**Invoice 8000334952**

**Deloitte LLP**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: December 12, 2018  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris  
HST Registration: 133245290RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 relating to the filing of the NOI, including, but not limited to the following:

- Discussions with Management, legal council and creditors; and
- Monitoring cash flow and preparation of court documents.

(See attached for invoice details.)

HST applicable 14,235.00

**Expense**

Out-of-pocket expenses

HST applicable 2,171.01

Administrative Expense 996.45

**Sales Tax**

HST at 15.00% 2,610.37

**Total Amount Due (CAD) 20,012.83**

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000334952	20,012.83	Payment for invoice 8000334952

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1



**Summary of Fees**

For the period November 19 to November 30, 2018

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	8.0	\$ 520	\$ 4,160.00
Kurt Macleod	Manager	31.0	\$ 325	\$ 10,075.00
<b>Total:</b>		<b>39.0</b>		<b>\$ 14,235.00</b>

**Summary of Out of pocket expenses**

Expense Type	Disbursement Type
Airfare	\$ 869.56
Car Rental	\$ 507.67
Hotel	\$ 649.06
Meals	\$ 144.72
	\$ 2,171.01

Date	Name	Hours	Descriptions
11/19/2018	Macleod, Kurt	3.50	T/C with Ron Burke/Blair Connolly regarding emails received over the weekend. T/C with Tim Hill/Mat Harris. T/C with suppliers answering questions regarding the process. Emails to suppliers re-process. Call with Cox and P. re: ALC claim on insurance.
11/19/2018	Harris, Mathew	0.50	Calls with management
11/20/2018	Macleod, Kurt	4.00	T/C with Blair, Ron, Robbie, Vince B. Work on first report of the proposal trustee, review of historical financial information.
11/21/2018	Harris, Mathew	1.00	Calls with management
11/22/2018	Macleod, Kurt	5.00	T/C with Ron Burke/ Writing court report/ actual cash flow reconciliation weeks 1 & 2.
11/22/2018	Harris, Mathew	1.00	Review first report of trustee
11/23/2018	Harris, Mathew	1.50	Calls, emails, review report
11/26/2018	Harris, Mathew	2.00	Review report, call with management, call with Pollard
11/26/2018	Macleod, Kurt	4.00	updated cash flow reconciliation, trustee report writing, and discussions with management
11/27/2018	Harris, Mathew	2.00	Calls with management and BMO, meet MacLeod re various
11/27/2018	Macleod, Kurt	8.00	Calls with Management, writing trustee's report, review of Q3 results and review of updated cash flow.
11/28/2018	Macleod, Kurt	6.00	Writing report section on updated cash flow and Q3 results, processing report edits, preparing cash flow documents, circulating the same to service list.
11/30/2018	Macleod, Kurt	0.50	Calls with creditors.
		<u>39.00</u>	





**Invoice 8000355386**

**Deloitte Restructuring Inc.**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: January 03, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris  
HST Registration: 122893605RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 relating to the filing of the NOI, including, but not limited to the following:

- Preparation of court documents and attending extension hearing;
- Monitoring of actual cash flows as compared to projections;
- Discussions with management, legal counsel and creditors;
- Preparation of confidential information memorandum;
- Preparation of realization analysis; and
- Preparation of two year three statement projection model.

HST applicable 18,265.00

**Expense**

Out-of-pocket expenses

HST applicable 1,511.67

Administrative Expense 1,278.55

**Sales Tax**

HST at 15.00% 3,158.28

**Total Amount Due (CAD) 24,213.50**

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000355386	24,213.50	Payment for invoice 8000355386

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1



### Summary of Fees

For the period November 30, 2018 to December 21, 2018

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	7.0	\$ 520	\$ 3,640.00
Kurt Macleod	Manager	45.0	\$ 325	\$ 14,625.00
<b>Total:</b>		<b>52.0</b>		<b>\$ 18,265.00</b>

### Summary of Out of pocket expenses

Expense Type	Disbursement Type
Airfare	\$ 787.79
Car Rental	\$ 132.60
Hotel	\$ 343.48
Meals	\$ 166.60
Parking	\$ 50.00
Mileage Allowance	\$ 31.20
	<b>\$ 1,511.67</b>

Date	Name	Hours	Descriptions
11/28/2018	Harris, Mathew	1.00	Finalize Court Report
11/29/2018	Harris, Mathew	0.50	Calls with Kurt and management
11/30/2018	Harris, Mathew	1.50	Prepare for Court hearing
12/3/2018	Harris, Mathew	1.00	Review all court materials
12/3/2018	Macleod, Kurt	3.00	Preparations for court hearing, reconciliation of actual cash flows for the prior week, discussions with Ron, Blair and Tim.
12/4/2018	Harris, Mathew	2.50	Court hearing, meet Hill, meet management
12/4/2018	Macleod, Kurt	4.00	Court hearing, meetings with Management.
12/5/2018	Macleod, Kurt	2.50	Discussions with management, calls to resolve insurance issues, working to get updated creditor listing.
12/6/2018	Harris, Mathew	0.50	Emails with BMO, management and Kurt
12/6/2018	Macleod, Kurt	4.00	Review of financial model, creation of balance sheet model. Sending management outline for banking package.
12/7/2018	Macleod, Kurt	3.50	Follow up on production schedule, review of financial model and creation of balance sheet model. Review of updated creditor list.
12/10/2018	Macleod, Kurt	4.00	Call with Management Re: British Projections, reconciliation of actual cash flows and review of updated creditor list.
12/11/2018	Macleod, Kurt	3.50	Review of British PPSA, analysis of security between BIC and BMO. Work on realization analysis. T/C with Tim Hill.
12/12/2018	Macleod, Kurt	2.50	T/C with Management, Tim Hill and Mat Harris. Estimate of initial funding from BIBBY. Email to BMO.
12/13/2018	Macleod, Kurt	3.00	T/Cs with management further work updating realization scenario.
12/17/2018	Macleod, Kurt	3.00	Reconciliation of actual cash flows for the week ending 12/14/2018. Questions to management regarding variances. Review of discussion paper re: term financing.
12/18/2018	Macleod, Kurt	1.50	Calls with Management and BMO.
12/19/2018	Macleod, Kurt	4.00	work on banking package.
12/20/2018	Macleod, Kurt	3.00	Work on banking package. Review of servi-jeux invoices.
12/21/2018	Macleod, Kurt	3.50	Work creating second year projection. Connecting model years and discussing model with Management.
		<u>52.00</u>	



**Invoice 8000386050**

**Deloitte Restructuring Inc.**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: January 28, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris  
HST Registration: 122893605RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 relating to the filing of the NOI, including, but not limited to the following:

- Preparation of court documents and attending extension hearing;
- Monitoring actual cash flows and reporting on variance;
- Discussions with management, legal council and creditors;
- Assisting management with the preparation of a confidential information memorandum, teaser and circulation list; and
- Assisting management with various financial analysis in order to support the restructuring.

**Sales Tax**

HST applicable	20,412.50
Administrative Expense	1,428.88
HST at 15.00%	<u>3,276.21</u>
<b>Total Amount Due (CAD)</b>	<b><u>25,117.59</u></b>

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000386050	25,117.59	Payment for invoice 8000386050

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1



## Summary of Fees

For the period December 22, 2018 to January 18, 2019

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	8.0	\$ 520	\$ 4,160.00
John Sears	Senior Manager	1.0	\$ 405	\$ 405.00
Kurt Macleod	Manager	47.5	\$ 325	\$ 15,437.50
Colleen O'Brien	Manager	1.0	\$ 325	\$ 325.00
Alex Tawil	Associate	0.5	\$ 170	\$ 85.00
<b>Total:</b>		<b>58.0</b>		<b>\$ 20,412.50</b>

Date	Name	Hours	Descriptions
1/2/2019	Macleod, Kurt	3.0	Review actual cash flow as compared to projections. Discussions with Management regarding variances. Banking package work, development of timeline, proposed transaction section.
1/3/2019	Macleod, Kurt	3.5	Report writing, second report of the proposal trustee. Call with Management regarding next steps, call with BMO on Tuesday and banking process. Finish review of actual cash flow.
1/4/2019	Macleod, Kurt	2.5	Review of engagement letter received from Management. Discussions regarding its outcomes. Work on the second report of the proposal trustee. TC with Tim Hill.
1/7/2019	Macleod, Kurt	6.0	Review of second extension cash flow, calls with management in order to finalize cash flow. Completion of cash flow monitoring for the last week prior to the hearing. Edits to the second report of the proposal trustee.
1/8/2019	Macleod, Kurt	4.5	Calls with Management, BMO, PWC, Government of Newfoundland. Final edits to trustee's report and cash flow projection.
1/9/2019	Macleod, Kurt	4.0	Submission of court documents, filing documents on Deloitte website, work on lending package.
1/9/2019	O'Brien, Colleen	1.0	Review extension second court report, prepare documents for e-filing with the OSB
1/10/2019	Harris, Mathew	2.0	Trustee's Report
1/10/2019	Macleod, Kurt	3.5	Work preparing lending package.
1/10/2019	Tawil, Alex	0.5	Work assisting with preparation of lending package.
1/11/2019	Macleod, Kurt	3.0	Work on projection models, lending package and discussions with Management.
1/14/2019	Macleod, Kurt	3.0	Discussions with Blair and Ron, additional edits to lending package. Preparation for court hearing.
1/15/2019	Harris, Mathew	6.0	In St. John's for extension hearing
1/15/2019	Macleod, Kurt	6.0	Court hearing, work preparing lending package for release.
1/16/2019	Macleod, Kurt	3.5	Creation of teasers and NDA's for search processes.
1/17/2019	Macleod, Kurt	5.0	Emailing participants in for search process. Finalizing documents. Reviewing cash flows week ending January 11, 2019. Calls with management.
1/18/2019	Sears, John	1.0	Debt forgiveness tax calculation
		<u>58.0</u>	



**Invoice 8000406898**

**Deloitte Restructuring Inc.**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: February 08, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris  
HST Registration: 122893605RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 relating to the filing of the NOI, including, but not limited to the following:

- Monitoring actual cash flows and reporting on variances;
- Discussions with management, legal council, creditors, customers and participants of the lender and investor search processes; and
- Assisting management with the preparation of financial models and confidential information memorandums.

HST applicable 15,678.50

**Expense**

Out-of-pocket expenses

HST applicable 2,323.76

Administrative Expense 1,097.50

**Sales Tax**

HST at 15.00% 2,864.96

**Total Amount Due (CAD) 21,964.72**

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000406898	21,964.72	Payment for invoice 8000406898

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1





### Summary of Fees

For the period January 19, 2019 to February 1, 2019

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	7.0	\$ 520	\$ 3,640.00
John Sears	Senior Manager	1.2	\$ 405	\$ 486.00
Kurt Macleod	Manager	34.5	\$ 325	\$ 11,212.50
Alex Tawil	Associate	2	\$ 170	\$ 340.00
<b>Total:</b>		<b>44.7</b>		<b>\$ 15,678.50</b>

### Summary of Out of pocket expenses

Expense Type	Disbursement Type
Airfare	\$ 1,497.35
Hotel	\$ 279.76
Meals	\$ 300.30
Car rental	\$ 210.18
Taxi	\$ 36.17
	<b>\$ 2,323.76</b>

Date	Name	Hours	Descriptions
1/21/2019	Harris, Mathew	2.0	CIM's, various emails and calls related to the financing process
1/22/2019	Macleod, Kurt	4.5	Final review of investment process documents and release to interested parties. Discussions with Management. Uploading documents to Deloitte website.
1/23/2019	Sears, John	1.0	Research re debt forgiveness and income inclusion rules. Put together template and send to K. Macleod.
1/23/2019	Macleod, Kurt	4.0	Lending process and investment process administration. Discussion with potential lenders. Setting up calls with Management, review of transactions and accounts payable balances.
1/24/2019	Macleod, Kurt	3.0	T/C with management and liquid capital. Investment process and lending process administration. Preparation of documents for Mat's meeting with ALC.
1/24/2019	Harris, Mathew	1.0	Various emails and calls
1/24/2019	Sears, John	0.2	Email correspondence with K. MacLeod re questions on debt forgiveness
1/25/2019	Tawil, Alex	2.0	Monitored the Cash Flow
1/25/2019	Harris, Mathew	4.0	Moncton to meet ALC, Develop restructuring plan
1/25/2019	Macleod, Kurt	3.0	CIM process administration, discussion with Steve Smallman and Darren Peters, modelling work following ALC meeting.
1/28/2019	Macleod, Kurt	4.5	T/C with Tim Hill, CIM process administration. Modeling for ALC proposal.
1/29/2019	Macleod, Kurt	6.0	T/Cs with National Bank, Next Edge, and Liquid capital. Finalize ALC documents and model. Calls with Management.
1/30/2019	Macleod, Kurt	4.0	Review of actual cash flow, emails to management regarding variances. Emails to BIC.
1/31/2019	Macleod, Kurt	2.0	Modeling work, updating balance sheet model and preparing go forward margin calc for lender process.
2/1/2019	Macleod, Kurt	3.5	Discussions with management, representatives from pollard and pillar capital.
		<u>44.7</u>	



**Invoice 8000430130**

**Deloitte Restructuring Inc.**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: February 23, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris  
HST Registration: 122893605RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 relating to the filing of the NOI, including, but not limited to the following:

- Monitoring actual cash flows and reporting on variances;
- Initial preparation of third court report; and
- Discussions with management, legal council, and parties participating in the lending and investment search process.

Please see attached schedule for invoice details.

**Sales Tax**

HST applicable	8,677.50
Administrative Expense	607.43
HST at 15.00%	<u>1,392.74</u>
<b>Total Amount Due (CAD)</b>	<b><u>10,677.67</u></b>

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000430130	10,677.67	Payment for invoice 8000430130

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1



**Summary of Fees**

For the period February 1, 2019 to February 15, 2019

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	2.0	\$ 520	\$ 1,040.00
Kurt Macleod	Manager	23.5	\$ 325	\$ 7,637.50
<b>Total:</b>		<b>25.5</b>		<b>\$ 8,677.50</b>

Date	Name	Hours	Descriptions
2/4/2019	Macleod, Kurt	2.0	Update call with Management, responding to emails from management over the weekend. Planning for the week.
2/5/2019	Macleod, Kurt	4.0	Initial drafting of the third report of the proposal trustee, review of actual cash flows for the week ending Feb 8, 2019. Calls with Management, Tim Hill and M. Harris.
2/6/2019	Macleod, Kurt	2.5	TC's with ALC, ACOA, Management. Drafting letter to the court regarding missed payment. Following up with lenders re: lending process deadline.
2/7/2019	Macleod, Kurt	3.0	TCs with Cory Basha, Next Edge, Management, and Arrow. Updating financial models based on management direction.
2/11/2019	Macleod, Kurt	2.0	Emails to strategic buyers. TC with Management. Call from Bridging financial.
2/12/2019	Harris, Mathew	2.0	calls with management, discussions with MacLeod
2/12/2019	Macleod, Kurt	2.5	Review of actual cash flows for the prior week. Follow up email to National and Next Edge. Drafting letter to the court.
2/13/2019	Macleod, Kurt	3.0	TC with management regarding cash flow projection. Providing update the Mat. Review of term sheets received to date provide management with my initial thoughts.
2/14/2019	Macleod, Kurt	1.0	TC with TD
2/15/2019	Macleod, Kurt	3.5	Review of updated cash flow management responses to questions, review of expressions of interest received. TC with Management.
		<u>25.5</u>	



**Invoice 8000460213**

**Deloitte Restructuring Inc.**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: March 12, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris  
HST Registration: 122893605RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 relating to the filing of the NOI, including, but not limited to the following:

- Monitoring actual cash flows and reporting on variances;
- Discussions with management, legal council, and parties participating in the lending and investment search process and;
- Preparation of court documents and attending extension hearing.

**Sales Tax**

HST applicable	13,195.00
Administrative Expense	923.65
HST at 15.00%	<u>2,117.80</u>
<b>Total Amount Due (CAD)</b>	<b><u>16,236.45</u></b>

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000460213	16,236.45	Payment for invoice 8000460213

**Contact:**

Please send payment confirmation by email to: [receivablesdebitours@deloitte.ca](mailto:receivablesdebitours@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1



### Summary of Fees

For the period February 18, 2019 to March 1, 2019

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	6.0	\$ 520	\$ 3,120.00
Kurt Macleod	Manager	31.0	\$ 325	\$ 10,075.00
<b>Total:</b>		<b>37.0</b>		<b>\$ 13,195.00</b>

Date	Name	Hours	Descriptions
2/18/2019	Macleod, Kurt	1.5	TC with Management - drafting response to government questions.
2/19/2019	Macleod, Kurt	1.0	T/C with Management and T/C with TD
2/20/2019	Macleod, Kurt	3.0	Review of actual cash flows, composition of letter to the court. Writing actual cash flow review section of the trustee's report.
2/21/2019	Harris, Mathew	1.0	Calls with management/Hill, review of financing submissions
2/21/2019	Macleod, Kurt	3.5	Review of third extension cash flow expense forecast. TC with management, Tim Hill and Mat Harris. Review of discussion papers and expressions of interest received to date. Composition of response to TD.
2/22/2019	Macleod, Kurt	5.0	Writing third report of the proposal trustee, updating management statements, trustee declaration and cash flow assumptions. Review of third extension cash flow sales forecast.
2/25/2019	Macleod, Kurt	6.0	Preparation of court documents, making management final changes, submitting documents to court.
2/27/2019	Harris, Mathew	5.0	Finalize report, prepare for and attend Court; numerous calls with management
2/27/2019	Macleod, Kurt	5.0	T/Cs with Next Edge Capital, BMO, Management, Mark Mickelson, and Mat Harris.
2/28/2019	Macleod, Kurt	2.0	Meeting with Ron/Blair, TC with Cox and Palmer.
3/1/2019	Macleod, Kurt	4.0	Meeting with TD and the Company, and attending court hearing.
		<u>37.0</u>	



**Invoice 8000487144**

**Deloitte Restructuring Inc.**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: March 27, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris  
HST Registration: 122893605RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 relating to the filing of the NOI, including, but not limited to the following:

- Monitoring actual cash flows and reporting on variances; and
- Discussions with management, legal council, parties participating in the lending and investment search process, and creditors.

**Sales Tax**

HST applicable	4,777.50
Administrative Expense	334.43
HST at 15.00%	<u>766.79</u>
<b>Total Amount Due (CAD)</b>	<b><u>5,878.72</u></b>

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000487144	5,878.72	Payment for invoice 8000487144

**Contact:**

Please send payment confirmation by email to: [receivablesdebitours@deloitte.ca](mailto:receivablesdebitours@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1



### Summary of Fees

For the period March 4, 2019 to March 15, 2019

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	2.0	\$ 520	\$ 1,040.00
Kurt Macleod	Manager	11.5	\$ 325	\$ 3,737.50
<b>Total:</b>		<b>13.5</b>		<b>\$ 4,777.50</b>

Date	Name	Hours	Descriptions
3/4/2019	Harris, Mathew	0.5	Calls with management, review correspondence
3/6/2019	Macleod, Kurt	2.5	Telephone call with Chris Hutton, Bill Woolridge at TCII, follow up with Jeffery spencer and posting items on the website.
3/7/2019	Macleod, Kurt	3.0	Cash flow monitoring, T/C with management.
3/8/2019	Macleod, Kurt	1.0	Telephone call with management regarding cash flow, ALC, and next steps.
3/11/2019	Macleod, Kurt	1.0	Telephone call and emails with management.
3/13/2019	Macleod, Kurt	0.5	Telephone call with management, emails to lenders.
3/13/2019	Harris, Mathew	1.5	Various calls
3/14/2019	Macleod, Kurt	2.5	Cash flow review, emails and calls with Management.
3/15/2019	Macleod, Kurt	1.0	Preparation of email for Andrew Wheeler, emails to creditors, preparation of blank proposal.
		<u>13.5</u>	



**Invoice 8000525810**

**Deloitte Restructuring Inc.**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: April 17, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris

HST Registration: 122893605RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 relating to the filing of the NOI, including, but not limited to the following:

- Monitoring actual cash flows and reporting on variances;
- Preparation of the fourth court report, review of the fourth extension cash flow and review of expressions of interest; and
- Discussions with management, legal council, parties participating in the lending and investment search process, and creditors.

HST applicable 10,367.50

**Expense**

Out-of-pocket expenses

HST applicable 1,106.96

Administrative Expense 725.73

**Sales Tax**

HST at 15.00% 1,830.03

**Total Amount Due (CAD) 14,030.22**

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Invoice Number 8000525810

April 17, 2019

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000525810	14,030.22	Payment for invoice 8000525810

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1



**Summary of Fees**

For the period March 16, 2019 to March 29, 2019

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	4.0	\$ 520	\$ 2,080.00
Kurt Macleod	Manager	25.5	\$ 325	\$ 8,287.50
<b>Total:</b>		<b>29.5</b>		<b>\$ 10,367.50</b>

**Summary of Out of pocket expenses**

Expense Type	Disbursement Type
Airfare	\$ 586.30
Hotel	\$ 152.47
Car Rental	\$ 131.42
Meals	\$ 194.66
Parking	\$ 42.11
	<b>\$ 1,106.96</b>

Date	Name	Hours	Descriptions
3/19/2019	Macleod, Kurt	0.5	T/C with Ron Burke
3/21/2019	Macleod, Kurt	2.5	Review of actual cash flows as compared to the third extension cash flow projection.
3/21/2019	Harris, Mathew	2.0	Various calls and emails
3/25/2019	Macleod, Kurt	6.0	Review of actual cash flow, T/C with Management. Writing Fourth report of the proposal trustee.
3/26/2019	Macleod, Kurt	4.0	T/C with Andrew Wheeler, completion of BMO analysis, further drafting of Fourth Report of Proposal Trustee.
3/26/2019	Harris, Mathew	2.0	Various calls and emails
3/27/2019	Macleod, Kurt	6.0	T/C with Tim Hill. T/C with Ron, Blair and Mat, drafting letter to province and the bank. Review of the fourth extension cash flow, formatting of fourth extension cash flow. Review of expressions of interest.
3/28/2019	Macleod, Kurt	2.5	T/C with Bill Woolridge, call with Blair and Ron.
3/29/2019	Macleod, Kurt	4.0	Writing the fourth report of the proposal trustee. Calls with Management and TD.
		<u>29.5</u>	



**Invoice 8000542472**

**Deloitte Restructuring Inc.**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: April 29, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris

HST Registration: 122893605RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 relating to the filing of the NOI, including, but not limited to the following:

- Monitoring actual cash flows and reporting on variances;
- Preparation of court documents and attending extension hearing; and
- Discussions with management, legal council, parties participating in the lending and investment search process, and creditors.

HST applicable 6,168.50

**Expense**

Out-of-pocket expenses

HST applicable 1,478.65

Administrative Expense 431.80

**Sales Tax**

HST at 15.00% 1,211.84

**Total Amount Due (CAD) 9,290.79**

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000542472	9,290.79	Payment for invoice 8000542472

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1



### Summary of Fees

For the period March 30, 2019 to April 12, 2019

Professional	Position	Hours	Hourly Rate	Fees
Robert Biehler	Partner	0.3	\$ 520	\$ 156.00
Kurt Macleod	Manager	18.5	\$ 325	\$ 6,012.50
<b>Total:</b>		<b>18.8</b>		<b>\$ 6,168.50</b>

### Summary of Out of pocket expenses

Expense Type	Disbursement Type
Airfare	\$ 616.54
Hotel	\$ 419.63
Car Rental	\$ 239.80
Parking	\$ 50.00
Meals	\$ 152.68
	<b>\$ 1,478.65</b>

Date	Name	Hours	Descriptions
4/1/2019	Macleod, Kurt	2.5	Call with BMO, prep-call for BMO call, call with TD.
4/2/2019	Macleod, Kurt	1.0	Call with management and Arrow.
4/3/2019	Macleod, Kurt	2.5	Calls with John G the third, Tim Hill and TD.
4/4/2019	Macleod, Kurt	6.0	Attending the court hearing, meetings with Tim, Management, and parties interested in participating in the restructuring. Discussions with lenders.
4/5/2019	Macleod, Kurt	3.0	modeling work, updating 2019 and 2020 projection model.
4/8/2019	Macleod, Kurt	2.5	British actual cash flow monitoring. Call with Cory basha, review of the NPC agreements, call with Rob Biehler.
4/8/2019	Biehler, Robert	0.3	Reviewing term sheet and previous filed documents; consult and direction discussion with Kurt Macleod.
4/10/2019	Macleod, Kurt	1.0	Call with Blair, Ron and Tim Re: NPC presentation to Government of Newfoundland.
		<u>18.8</u>	





**Invoice 8000553886**

**Deloitte LLP**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: May 03, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris

HST Registration: 133245290RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 relating to the filing of the NOI, including, but not limited to the following:

- Monitoring actual cash flows and reporting on variances;
- Preparation of the fifth court report and related documents;
- Review of the first CCAA cash flow projection and preparation of related documents; and
- Discussions with management, legal council, parties participating in the lending and investment search process, and creditors.

**Sales Tax**

HST applicable	10,920.00
Administrative Expense	764.40
HST at 15.00%	<u>1,752.66</u>
<b>Total Amount Due (CAD)</b>	<b><u>13,437.06</u></b>

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000553886	13,437.06	Payment for invoice 8000553886

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1



### Summary of Fees

For the period April 12 to April 26, 2019

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	6.0	\$ 520	\$ 3,120.00
Kurt Macleod	Manager	24.0	\$ 325	\$ 7,800.00
<b>Total:</b>		<b>30.0</b>		<b>\$ 10,920.00</b>

Date	Name	Hours	Descriptions
4/22/2019	Macleod, Kurt	6.0	Writing fifth report of the proposal trustee, call with Tim Hill, discussions with Mat. Review of the actual cash flow, sending questions to management regarding actual cash flow variances.
4/23/2019	Macleod, Kurt	7.0	Review of actual cash flow, drafting of the fifth report of the proposal trustee (first report of the proposed monitor), discussions with management and NPC.
4/24/2019	Macleod, Kurt	5.0	Proof and format 5th report to the court, addendum to 5th report and administrative charge letter
4/24/2019	Harris, Mathew	3.0	Various calls with management, review Trustee report, emails
4/25/2019	Macleod, Kurt	5.0	Review of Tim Hill's filing documents, calls with Management, Tim Hill, Arrow, creditors. Preparation of cash flow declarations and other filing documents.
4/26/2019	Macleod, Kurt	1.0	Calls with Management, Bank of Montreal and Tim Hill. Edits to the fifth report of the proposal trustee, review of the companies cash flow projection.
4/26/2019	Harris, Mathew	3.0	Review report
		<u>30.0</u>	



**Invoice 8000592951**

**Deloitte Restructuring Inc.**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: May 22, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris

HST Registration: 122893605RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 including, but not limited to the following:

- Preparation of CCAA court documents and attending the court hearing;
- Preparation of CCAA documents for e-filing with the OSB, mailing and advertising of notice to creditors;
- Monitoring actual cash flows and reporting on variances; and
- Discussions with management, legal council, parties participating in the lending and investment search process, and creditors.

HST applicable 15,287.50

**Expense**

Out-of-pocket expenses - Advertisement

HST applicable 596.00

Administrative Expense 1,070.13

**Sales Tax**

HST at 15.00% 2,543.04

**Total Amount Due (CAD) 19,496.67**

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000592951	19,496.67	Payment for invoice 8000592951

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**ABA Routing Number:** 026002532

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



### Summary of Fees

For the period April 29 to May 10, 2019

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	9.0	\$ 520	\$ 4,680.00
Kurt Macleod	Manager	24.5	\$ 325	\$ 7,962.50
Colleen O'Brien	Manager	8.0	\$ 325	\$ 2,600.00
Beverly Gallagher	Adminstration	0.6	\$ 75	\$ 45.00
<b>Total:</b>		<b>42.1</b>		<b>\$ 15,287.50</b>

Date	Name	Hours	Descriptions
4/29/2019	Harris, Mathew	3.0	Review report and calls.
4/29/2019	Macleod, Kurt	6.0	Finalize court documents, filing documents with the court, calls with management and Tim Hill.
4/30/2019	Harris, Mathew	2.0	Review report.
4/30/2019	Macleod, Kurt	2.0	Calls with management, review of proposal model.
5/1/2019	Harris, Mathew	4.0	Court and travel.
5/1/2019	O'Brien, Colleen	4.0	Prepare CCAA documents for British, e-filed with the OSB, prepared advertisement for newspaper.
5/1/2019	Macleod, Kurt	6.0	Attending court hearing, preparing documents for conversion to CCAA. Calls with creditors. meetings with management.
5/2/2019	O'Brien, Colleen	2.0	Complete CCAA e-filing with the OSB and review notice to creditors and prepare for mailing.
5/6/2019	Gallagher, Beverly	0.6	Reviewed creditor mailing list for typos, formatting consistency.
5/6/2019	O'Brien, Colleen	2.0	Notice to creditors for CCAA filing.
5/6/2019	Macleod, Kurt	4.0	Finalizing updated creditors listing.
5/7/2019	Macleod, Kurt	0.5	Call with CRA.
5/8/2019	Macleod, Kurt	2.0	Review of actual cash flow from week ending May 3, 2019. Emails to BarberTech.
5/9/2019	Macleod, Kurt	2.0	Review response from TCII, phone call with Mark Mickelson.
5/10/2019	Macleod, Kurt	2.0	Drafting response to TCII and call with Management and Tim Hill.
		<u>42.1</u>	



**Invoice 8000625015**

**Deloitte Restructuring Inc.**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: June 05, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris

HST Registration: 122893605RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 including, but not limited to the following:

- Preparation of Second report of the Monitor and attend court hearing;
- Monitoring actual cash flows and reporting on variances; and
- Discussions with management, legal council, and creditors.

HST applicable 13,562.50

**Expense**

Out-of-pocket expenses

HST applicable 1,869.76

Administrative Expense 949.38

**Sales Tax**

HST at 15.00% 2,457.25

**Total Amount Due (CAD) 18,838.89**

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000625015	18,838.89	Payment for invoice 8000625015

**Contact:**

Please send payment confirmation by email to: [receivablesdebitours@deloitte.ca](mailto:receivablesdebitours@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**ABA Routing Number:** 026002532

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1





### Summary of Fees

For the period May 13, 2019 to May 24, 2019

Professional	Position	Hours	Hourly Rate	Fees
Jame Foran	Senior Manager	13.0	\$ 425	\$ 5,525.00
Kurt Macleod	Manager	24.5	\$ 325	\$ 7,962.50
Beverly Gallagher	Adminstration	1.0	\$ 75	\$ 75.00
<b>Total:</b>		<b>38.5</b>		<b>\$ 13,562.50</b>

### Summary of Out of pocket expenses

Expense Type	Disbursement Type
Airfare	\$ 1,007.41
Meal	\$ 186.68
Hotel	\$ 474.02
Car Rental	\$ 135.86
Parking	\$ 65.79
	<b>\$ 1,869.76</b>

Date	Name	Hours	Descriptions
5/14/2019	Macleod, Kurt	4.0	Drafting letter to court, initial drafting of the second report of the monitor.
5/15/2019	Macleod, Kurt	3.5	Review of the prior weeks cash flow, sending questions to Ron and Blair.
5/17/2019	Macleod, Kurt	1.0	Calls with Tim, Mat and Chris Hutton.
5/21/2019	Macleod, Kurt	5.0	TC with TCII, the Company, and Tim Hill. Review of actual cash flows and preparation of report visuals and sections.
5/21/2019	Foran, James	3.5	Conference call with client, telephone conversation with Tim Hill, office discussion with Mat Harris and Kurt MacLeod, work on context for 2nd Report of Monitor.
5/22/2019	Macleod, Kurt	5.0	Writing of the 2nd report of the Monitor. Calls with Management and Tim Hill.
5/22/2019	Foran, James	3.0	Initial review of 2nd Monitor's Report, writing specific sections on 2nd Monitor's Report, office discussions with Mat Harris and Kurt MacLeod, correspondence with British.
5/23/2019	Gallagher, Beverly	1.0	Proof & format Second Report of the Monitor.
5/23/2019	Foran, James	4.5	Work on Second Report of Monitor, telephone conversation with Tim Hill, office discussions with Mat Harris and Kurt MacLeod, conference call with Blair Connolly, Ron Burke and Kurt MacLeod re: cash flow; review revised changes to cash flow.
5/23/2019	Macleod, Kurt	4.0	Review of the Second CCAA cash flow, writing report sections on CCAA cash flow. Processing edits. Discussions with Management regarding the cash flow model.
5/24/2019	Macleod, Kurt	2.0	Final review of the court documents, filing documents with the court.
5/24/2019	Foran, James	2.0	Review and discuss late changes to Monitor Report with Mat Harris and Kurt MacLeod; review of Report appendices.
		<u>38.5</u>	



**Invoice 8000635984**

**Deloitte Restructuring Inc.**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionary Company Limited  
465 East White Hills Road  
St. John's NF A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: June 14, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris

HST Registration: 122893605RT0001

**For professional services rendered**

**Fees**

Professional services rendered with respect to our engagement letter dated November 5, 2018 including, but not limited to the following:

- Attend court hearing;
- Drafting correspondence to the Court and the Service List;
- Meeting with representatives of TCII;
- Monitoring actual cash flows and reporting on variances; and
- Discussions with management, legal council, and creditors.

**Sales Tax**

HST applicable	11,230.00
Administrative Expense	786.10
HST at 15.00%	<u>1,802.42</u>
<b>Total Amount Due (CAD)</b>	<b><u>13,818.52</u></b>

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionary Company Limited	1156191	8000635984	13,818.52	Payment for invoice 8000635984

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**ABA Routing Number:** 026002532

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567C  
PO Box 4567, Stn A  
Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP  
c/o T04567U  
PO Box 4567, Stn A  
Toronto ON M5W 0J1



**Summary of Fees**

For the period May 27, 2019 to June 7, 2019

Professional	Position	Hours	Hourly Rate	Fees
Mathew Harris	Partner	4.0	\$ 520	\$ 2,080.00
James Foran	Vice President	13.5	\$ 425	\$ 5,737.50
Kurt Macleod	Manager	10.5	\$ 325	\$ 3,412.50
<b>Total:</b>		<b>28.0</b>		<b>\$ 11,230.00</b>

Date	Name	Hours	Descriptions
5/27/2019	Macleod, Kurt	2.0	Preparing for and attending court hearing.
5/27/2019	Harris, Mathew	4.0	Prepare and attend court hearing.
5/28/2019	Foran, James	1.5	Review correspondence received from TCII and share same with company and legal counsel, internal discussion regarding TCII correspondence, conference call with company CEO and CFO.
5/29/2019	Foran, James	1.5	Review correspondence from Tim Hill re: asset sale process and discuss internally with Mat Harris and Kurt MacLeod, discuss cash flow position with Kurt MacLeod, discussion with Bruce Johnson of EJP re: Monitor's counsel role
5/30/2019	Macleod, Kurt	2.5	Review of the prior week cash flow transactions and meeting with TCII.
5/30/2019	Foran, James	3.0	Prepare for and attend meeting with representatives of TCII, telephone call with Tim Hill, email correspondence with company, internal discussions.
5/31/2019	Macleod, Kurt	2.0	Meeting with management.
5/31/2019	Foran, James	2.0	Prepare for and attend meeting with Blair Connolly and Ron Burke, follow up email correspondence to company and discussions with Kurt MacLeod.
6/3/2019	Foran, James	1.0	Telephone conversation with Tim Hill, emails to/from company, office discussions with Kurt MacLeod.
6/3/2019	Macleod, Kurt	1.0	Drafting of letter to court regarding professional invoices.
6/4/2019	Foran, James	0.5	Discuss Court letter with Kurt MacLeod and review financial data, provide copy to client for review.
6/4/2019	Macleod, Kurt	2.5	Review of British actual cash flow transactions for the prior week.
6/5/2019	Foran, James	1.0	Conference call with company re: Court correspondence, internal discussions with Mat Harris and Kurt MacLeod, telephone conversation with Tim Hill, emails to/from stakeholders.
6/5/2019	Macleod, Kurt	0.5	Call with Ron and Blair.
6/6/2019	Foran, James	1.0	Review cash flow prepared by Kurt MacLeod and discuss moving out several weeks, communications from interested parties.
6/7/2019	Foran, James	2.0	Conference call with Bruce Johnson and Kurt MacLeod, call with Tim Hill re: approach moving forward, call with Mat Harris, research on lifting of stay and affect on debtors.
		<u>28.0</u>	



**Invoice 8000676637**

**Deloitte LLP**

1969 Upper Water Street, Suite 1500  
Purdy's Wharf Tower II  
Halifax NS B3J 3R7

ATTN: Blair Connolly  
British Confectionery Company Limited  
465 East White Hills Road  
St. John's NL A1A 5X7  
Canada

Tel: (902) 422-8541  
Fax: (902) 423-5820  
www.deloitte.ca

Date: July 15, 2019  
Client No.: 1156191  
WBS#: BRI00261  
Engagement Partner: Mathew Harris

HST Registration: 133245290RT0001

**For professional services rendered**

**Fees**

With respect to our engagement letter dated November 5, 2018 including, but not limited to the following:

- Drafting correspondence to the Court and the Service List
- Initial drafting of the Monitor's third report
- Discussions with representatives of TCII
- Monitoring actual cash flows and reporting on variances
- Discussions with management, legal council, and creditors.

HST applicable 16,365.00

**Expense**

Legal fees -Ellsworth Johnson & Partners - 10,459.50  
Out-of-pocket expenses - 1,308.01

HST applicable 11,767.51

Administrative Expense 1,145.55

**Sales Tax**

HST at 15.00% 4,391.71

**Total Amount Due (CAD) 33,669.77**

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
British Confectionery Company Limited	1156191	8000676637	33,669.77	Payment for invoice 8000676637

**Contact:**

Please send payment confirmation by email to: [receivablesdebitors@deloitte.ca](mailto:receivablesdebitors@deloitte.ca), and reference the invoice number(s) paid

## Payment Options

**1. EFT Payments(remittance email mandatory):**

**Preferred Method**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1590219

**For USD Dollar (\$) Payments, pay:**

**ABA/Transit Routing:** 47696002

**Account Number:** 1363514

**2. Wire Payment:**

The Bank of Nova Scotia

Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

**For CAD Dollar (\$) Payments, pay:**

**Account Number:** 476961590219

**Swift Code:** NOSCCATT

**For USD Dollar (\$) Payments, pay:**

**Account Number:** 476961363514

**Swift Code:** NOSCUS33

**ABA Routing Number:** 026002532

**3. Online Payment:**

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

**Please note we do not accept Interac e-Transfers.**

**4. Cheque payments, please mail to:**

**For CAD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

**For USD Dollar (\$) Payments, pay:**

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1

## Summary of Fees

For the period June 10, 2019 to June 28, 2019

Professional	Position	Hours	Hourly Rate	Fees
James Foran	Vice President	27.8	\$ 425	\$ 11,815.00
Kurt Macleod	Manager	13.5	\$ 325	\$ 4,387.50
Colleen O'Brien	Manager	0.5	\$ 325	\$ 162.50
<b>Total:</b>		<b>41.8</b>		<b>\$ 16,365.00</b>

## Summary of Out of pocket expenses

Expense Type	Disbursement Type
Airfare	\$ 1,071.11
Hotel	\$ 166.15
Parking	\$ 34.21
Mileage	\$ 17.18
Meals	\$ 19.36
<b>Total:</b>	<b>\$ 1,308.01</b>

Date	Name	Hours	Descriptions
6/10/2019	Foran, James	1.0	Telephone conversation with Blair Connolly re: process, email to Deloitte team members, office discussions with Kurt MacLeod.
6/10/2019	Macleod, Kurt	0.5	Call with Bill Woolridge from TCII.
6/11/2019	Foran, James	1.5	Conference call with Company, cash flow discussions with Kurt MacLeod.
6/12/2019	Foran, James	4.0	Review of Stalking Horse Bid, correspondence to/from company and legal counsel, office discussions, conference call with Blair Connolly and Mark Mickelson.
6/14/2019	Foran, James	1.5	Telephone conversation with Bruce Johnson; conference call with British, Boyne Clarke, NPC, Deloitte and EJP re: Stalking Horse Bid.
6/17/2019	Macleod, Kurt	2.0	Calls with Ron, Blair, TCII.
6/17/2019	Foran, James	2.0	Conference call with British, Tim Hill and Deloitte, conference call between representatives of TCII and Deloitte, update call with BMO and Deloitte, emails to/from stakeholders and internal discussions.
6/18/2019	Macleod, Kurt	4.5	Calls with TCII, BMO, and the Company. Review of the actual cash flow for the past two week period. Drafting letter to court.
6/18/2019	Foran, James	2.0	Conference call with TCII, telephone conversations with Tim Hill, telephone conversation with David Boyd, internal discussions with Mat Harris and Kurt MacLeod, emails to/from stakeholders.
6/19/2019	Foran, James	1.5	Review EDC guarantee document on BMO indebtedness, emails to/from Company on various issues, telephone conversation with Mark Mickelson of NPC, telephone conversation with Tim Hill, internal discussions.
6/21/2019	Macleod, Kurt	0.5	Call with John G3rd from Arrow.
6/21/2019	Foran, James	2.5	Conference call between British, Deloitte and respective legal counsel, Deloitte discussion with Arrow, review and provide comments of proposed Plan of Arrangement, telephone conversation with Pluto Investments.
6/24/2019	Foran, James	2.7	Emails to/from David Boyd of PwC re: draft proposal plan and discuss same via a telephone call, provide financial information to Arrow, review and discuss SJ cash proceeds with British, provide documentation to TCII and ACOA, internal discussions.
6/25/2019	Foran, James	2.3	Prepare for and attend conference call with British, its legal counsel and Deloitte, t/c with Bonnie Christie of ACOA re: draft proposal.
6/25/2019	Macleod, Kurt	2.5	Call with the company and mark Mickelson. Finalizing detailed cash flow review. Initial drafting of 3rd monitors report.
6/26/2019	O'Brien, Colleen	0.5	Review Admin. order letter and email to the court and service list.
6/26/2019	Foran, James	3.3	Telephone conversation with Paul Franzman of Pollard re: offer, several telephone discussions with Tim Hill re: process, emails to/from TCII and obtain provide requested documentation ahead of Board meeting; emails to/from British, internal discussions.
6/26/2019	Macleod, Kurt	0.5	Call with CRA.
6/27/2019	Foran, James	3.0	Conference call with British, NPC, legal counsel and Deloitte, internal discussions on Third Report of Monitor, review cash flow requirements with Kurt MacLeod, discuss CRA issue with Kurt MacLeod, emails and telephone calls.
6/27/2019	Macleod, Kurt	3.0	Call with Tim, Bruce, Blair, Ron and James. Review of the actual cash flows for the prior week.
6/28/2019	Foran, James	0.5	Telephone conversation with Blair Connolly re: Pollard Offer and IP.
		<u>41.8</u>	

**Appendix B – Johnson Affidavit**



2019 01G 2868

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR

GENERAL DIVISION

IN THE MATTER OF: An Application by **Deloitte Restructuring Inc., Monitor of BRITISH CONFECTIONERY COMPANY LIMITED** and **BRITISH BAZAAR COMPANY LIMITED** (the "Monitor") for relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as am.

**AFFIDAVIT OF R. BRUCE JOHNSON**

I, **R. BRUCE JOHNSON**, make oath and give evidence as follows:

1. I am a partner with Ellsworth Johnson & Partners which represents Deloitte Restructuring Inc., in its capacity as the Court-appointed Monitor (the "**Monitor**") of **BRITISH CONFECTIONERY COMPANY LIMITED** and **BRITISH BAZAAR COMPANY LIMITED**, the Applicants pursuant to the *Companies Creditors Arrangement Act*.
2. I have personal knowledge of the evidence sworn to in this Affidavit except where otherwise stated to be based on information or belief.
3. I state, in this Affidavit, the source of any information that is not based on my personal knowledge, and I state my belief of the source.
4. Paragraph 22 of the May 1, 2019 Initial Order in these proceedings provided that the Monitor and counsel to the Monitor were to be paid their reasonable fees and disbursements by the Applicants at their standard rates. The Administration Charge created within the May 1, 2019 Charging Order provided security over the assets of the Applicants in respect of the fees and disbursements incurred by the Monitor and by the Monitor's counsel, both before and after the issuance of the Initial Order in an amount not to exceed \$100,000.00.
5. This Affidavit is made in support of a Motion by the Monitor for an Order which includes approval of the fees and disbursements of the Monitor and the Monitor's counsel for the period from October 31, 2018 to July 10, 2019 with the issuance of a Discharge Certificate (as defined in the draft Discharge Order).
6. It is my understanding that the Monitor's own accounts shall be appended to the Third Report of the Monitor, which is to be filed in support of the present Motion.
7. During the period between May 30, 2019 and July 3, 2019, Ellsworth Johnson & Partners recorded 56.2 hours of work in respect of these CCAA proceedings, which amounted to

fees totalling \$18,714.00. Disbursements incurred by Ellsworth Johnson & Partners during this same period totalled \$935.62, and HST Applicable to the accounts totalled \$2,947.45 for a grant total of \$22,597.07. Attached hereto marked as Exhibit "1" are the statements of account issued by Ellsworth Johnson & Partners in this matter in connection with these CCAA proceedings over the period described above.

- 8. Exhibit "1" contains a description of the services rendered to the Monitor in a fair, reasonable and detailed manner, together with the hourly rates of the lawyers working on the matter.
- 9. Each invoice attached in Exhibit "1" specifies the nature of the disbursement incurred on the file, the name of the timekeeper performing the work, his or her hourly rate, and the HST components applicable to the accounts.
- 10. I verily believe that the professional rates charged by Ellsworth Johnson & Partners throughout these CCAA proceedings are consistent with the rates charged by other Atlantic Canadian legal practitioners for the provision of similar services.
- 11. This Affidavit is sworn in respect of a Motion which included a request for the approval of the fees and disbursement of the Monitor's legal counsel, and for no other purpose.

**SWORN TO** at the City of Moncton, )  
 In the County of Westmorland and )  
 Province of New Brunswick, this )  
 \_\_\_\_\_ day of July, 2019. )  
**BEFORE ME:-** )  
 )  
 )  
 )  
 )  
 \_\_\_\_\_ )

.....  
 R. BRUCE JOHNSON

A Commissioner of Oaths, being a  
 Solicitor

## SCHEDULE "1"

**ELLSWORTH JOHNSON & PARTNERS**

P.O. BOX 626  
828 MAIN STREET  
MONCTON, NB E1C 8M7

Phone: (506) 857-8228 Fax: (506) 859-4219

Deloitte Restructuring Inc., in its capacity as  
Monitor of British Confectionary Company Ltd.  
and British Bazaar Company Limited  
Suite 1500, Tower II, 1969 Upper Water St., Halifax, NS B3J 3R7

June 21, 2019  
File #: 15552  
Invoice #: 120301

Attention: Attention: Mr. James Foran

---

**Re: Monitor of British Confectionary Company  
Limited and British Bazaar Company Limited**

<b>DATE</b>	<b>DESCRIPTION</b>	<b>HOURS</b>	<b>AMOUNT</b>	<b>LAWYER</b>
May-30-19	Review of 1st and 2nd Report of Monitor and Orders.	2.40	936.00	RBJ
Jun-03-19	Call from Geoff Spencer.	0.30	117.00	RBJ
Jun-07-19	Review of Initial Order under CCAA; conference call with James and Kurt; review of stay issues.	2.00	780.00	RBJ
Jun-10-19	Receipt and review of email from James and review of material on Stalking Horse Bid for response to James.	2.50	975.00	RBJ
	To searching for requested documents on Stalking Horse Bid.	0.90	202.50	JPL
Jun-11-19	Matters pertaining to review of Stalking Horse Process.	1.40	546.00	RBJ
	To retrieving, reviewing and compiling Stalking Horse documents and precedents for solicitor Johnson; to brief conference with solicitor Johnson.	1.30	292.50	JPL
Jun-12-19	Review issues on Stalking Horse Asset Purchase Agreement; receipt of draft Stalking Horse Asset Purchase Agreement and Process Order; review legal issues pertaining to Process of Stalking Horse.	3.40	1,326.00	RBJ
Jun-13-19	Review of Stalking Horse Asset Purchase Agreement and Process Order; call with	3.40	1,326.00	RBJ

James and discussion on issues before conference call; conference call with British Confectionery representatives on the financing and Stalking Horse Asset Purchase Agreement.

Jun-14-19	Preparation of email to James on issues pertaining to Stalking Horse Asset Purchase Agreement and the Process Order and amendments; review legal issues related to approval of Stalking Horse Order.	4.50	1,755.00	RBJ
Jun-17-19	Emails from James and Kurt and response; attendance conference call with representatives of TCII; emails to James; call with James and Kurt in respect to TCII and Mark Mendelson offer and Stalking Horse issues.	2.30	897.00	RBJ
Jun-18-19	All matters relating to review of documentation and information; attendance conference call with TCII representative; review of email from Blair on concept of financing transaction; conference call with BMO representatives; call with James.	1.90	741.00	RBJ
Jun-20-19	Discussion with solicitor Johnson regarding file and upcoming Court appearance.	0.30	67.50	JHE
	<b>Total Fees</b>	26.60	<b>\$9,961.50</b>	
	HST		\$1,494.23	

**DISBURSEMENTS**

Administrative Disbursements (copies, faxes, print materials, postage, and data management)

	<b>Disbursements</b>	<b>Receipts</b>
	498.00	
Totals	\$498.00	\$0.00
HST on Disbursements	\$74.70	

**Total Fees, Disbursements & HST**

**\$12,028.43**

Balance Forward

\$0.00

**Balance Due Now**

**\$12,028.43**

Total Tax: \$1,568.93

HST #: 11216 6830 RT0001

\* tax-exempt

Approved by

Ellsworth Johnson & Partners

per .....

E. & O.E.

*Our invoice is due upon receipt and will incur a service charge of up to 18% upon the expiry of any period of credit which may apply. The itemization of fees and disbursements listed in our invoice includes direct costs as incurred and an amount of up to 5% of fees billed to cover the administrative costs of print material, photocopying, telephone, faxes, postage, local courier, and data management.*

**ELLSWORTH JOHNSON & PARTNERS**

P.O. BOX 626  
828 MAIN STREET  
MONCTON, NB E1C 8M7

Phone: (506) 857-8228 Fax: (506) 859-4219

Deloitte Restructuring Inc., in its capacity as  
Monitor of British Confectionary Company Ltd.  
and British Bazaar Compay Limited  
Suite 1500, Tower II, 1969 Upper Water St., Halifax, NS B3J 3R7

July 05, 2019  
File #: 15552  
Invoice #: 120396

Attention: Attention: Mr. James Foran

---

**Re: Monitor of British Confectionary Company  
Limited and British Bazaar Company Limited**

<b>DATE</b>	<b>DESCRIPTION</b>	<b>HOURS</b>	<b>AMOUNT</b>	<b>LAWYER</b>
Jun-19-19	Email from James on letters from Tim Hill and letter to Pollard.	0.20	78.00	RBJ
Jun-20-19	To conference with Bruce Johnson.	0.20	45.00	JPL
Jun-21-19	Emails and review of the outline of a Plan of Arrangement; receipt and review of revised POA; conference call with Deloitte and British representatives.	1.50	585.00	RBJ
Jun-27-19	Meeting with James and attendance conference call with James, Kurt and British representatives; call with James on receipt of Pollard Offer and other calls with James.	2.10	819.00	RBJ
Jun-28-19	Receipt and review of emails; call with James; review of Initial Order; receipt of email with letter of withdrawal of Expression of Interest and letter from Blair Connolly to Pollard threatening a law suit on his IP rights; further call with James and email; internal instruction on IP research for Memo.	4.90	1,911.00	RBJ
	Meetings with Bruce Johnson regarding file, required Court appearance and issues for consideration by Monitor and Court; researching PPSA provisions.	1.70	382.50	JHE
	To time in conference with Bruce Johnson; to time in searching patents.	2.00	300.00	VAD
Jun-30-19	Conference call with Deloitte representatives	0.80	312.00	RBJ

	on steps to take on letter from Pollard and Blair Connelly; call with Tim Hill and email to James.			
Jul-01-19	To review of PPR search results and security documents; to preparation of memoranda to file.	1.20	270.00	JPL
Jul-02-19	Email from Mat Harris and response; call with James; review of CCAA section on Transfers on under value; email to Deloitte on IP transfer and section 96 of BIA; emails to James; call with Deloitte and Company representatives; review of IP issues and memo on IP.	4.50	1,755.00	RBJ
	To conference with Bruce Johnson about PPR search review and security documents; to begin drafting Security Opinion.	1.20	270.00	JPL
	To time in conducting research regarding patents; to time in drafting memo regarding validity of assignment of patents.	5.30	795.00	VAD
Jul-03-19	Review and amendments to Patent Memo and call with Geoff Spencer; calls with James.	2.00	780.00	RBJ
	Researching relevant CCAA provisions; researching relevant federal and provincial legislation concerning intellectual property rights and transfers thereof; review of CCAA Order.	1.40	315.00	JHE
	To continue drafting Letter of Opinion on Security.	0.60	135.00	JPL
	<b>Total Fees</b>	<b>29.60</b>	<b>\$8,752.50</b>	
	HST		\$1,312.88	

**DISBURSEMENTS**

Administrative Disbursements (copies, faxes, print materials, courier, postage, and data management)


	<b>Disbursements</b>	<b>Receipts</b>
	437.62	
<b>Totals</b>	<b>\$437.62</b>	<b>\$0.00</b>
HST on Disbursements	\$65.64	



<b>Total Fees, Disbursements &amp; HST</b>	<b>\$10,568.64</b>
Balance Forward	\$12,028.43
<b>Balance Due Now</b>	<b>\$22,597.07</b>

Total Tax: \$1,378.52  
HST #: 11216 6830 RT0001

\* tax-exempt

Approved by  
Ellsworth Johnson & Partners  
  
per .....  
E. & O.E.

*Our invoice is due upon receipt and will incur a service charge of up to 18% upon the expiry of any period of credit which may apply. The itemization of fees and disbursements listed in our invoice includes direct costs as incurred and an amount of up to 5% of fees billed to cover the administrative costs of print material, photocopying, telephone, faxes, postage, local courier, and data management.*