

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**BETWEEN:**

**HSBC BANK CANADA**

Applicant

- and -

**NATIONAL TELECOMMUNICATIONS INC.**

Respondent

**SUPPLEMENTAL REPORT TO THE  
SECOND REPORT OF THE RECEIVER  
JANUARY 19, 2016**

**HSBC BANK CANADA V. NATIONAL TELECOMMUNICATIONS INC.  
EMAIL SERVICE LIST  
[AS AT DECEMBER 17, 2015]**

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**EXHIBITS**

<b>EXHIBIT</b>	<b>DESCRIPTION</b>
<b>A</b>	Copy of Certified Transcript of the Court hearing regarding NTI held on June 30, 2015
<b>B</b>	Email of Henry Goldberg dated April 8, 2015 containing an Unsolicited Offer for the Vaughan Property from "John Mazza in Trust"
<b>C</b>	Email of the Receiver to Henry Goldberg dated April 16, 2015 in response to email dated April 15, 2015
<b>D</b>	Aged Accounts Receivable and Accounts Payable subledgers (Canada and US) as at March 13, 2015
<b>E</b>	Detailed allocation analysis by interim account of the Receiver
<b>F</b>	Affidavit of Paul Casey of Deloitte Restructuring Inc. sworn January 19, 2015



## INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (the “**Court**”) dated April 9, 2015 (the “**Appointment Order**”), Deloitte Restructuring Inc. (“**Deloitte**”) was appointed as the receiver and manager (the “**Receiver**”) of all of the assets, undertakings and properties of National Telecommunications Inc. (“**NTI**” or the “**Debtor**”) acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof (the “**Property**”). The Application was commenced by the Debtor’s first ranking secured creditor, HSBC Bank Canada (“**HSBC**” or the “**Bank**”). Addiction Associates Inc. (“**Addiction Associates**”), a second ranking secured creditor in respect of the Vaughan Property (defined below) owned by the Debtor was served with HSBC’s application record prior to the granting of the Appointment Order.
2. On June 23, 2015, the Receiver issued its first report to the Court (the “**First Report**”) for the purpose of, among other things, seeking an order of the Court approving the activities of the Receiver to the date of the First Report, authorizing and directing the Receiver, on behalf of the Debtor, to file an assignment in bankruptcy of the Debtor, authorizing and directing the Receiver to carry out the terms of the Mazza Sale Agreement (as defined below), approving the Receiver’s statement of receipts and disbursements to June 18, 2015, and approving the professional fees and disbursements of the Receiver and its independent legal counsel and authorizing the Receiver to pay all such fees and disbursements from available funds.
3. Pursuant to the Approval and Vesting Order dated June 30, 2015 (the “**Approval and Vesting Order**”), the Court approved the agreement of purchase and sale between the Receiver and Unit 3 Innovation Drive Inc. (“**Mazza**”) dated May 12, 2015 (the “**Mazza Sale Agreement**”) for the sale of certain of the Property comprised of the real property located at 101 Innovation Drive, Unit 3, Vaughan, Ontario (the “**Vaughan Property**”) and certain Property located at the Vaughan Property as described in the Mazza Sale Agreement (the “**Sold Assets**”) and vesting title to the Sold Assets in and to Mazza upon closing of the Mazza Sale Agreement. Pursuant to a separate Order dated June 30, 2015 (the “**Conduct and Fee Approval Order**”), the Court, among other things, approved the conduct of the Receiver and the professional fees and disbursements of the Receiver and

its independent legal counsel as set out in the First Report and authorized the Receiver to pay all such fees and disbursements from available funds.

4. On December 18, 2015, the Receiver issued its second report to the Court (the “**Second Report**”) for the purpose of, among other things, seeking an order of the Court approving a distribution of available proceeds to HSBC, approving the activities of the Receiver to the date of the Second Report, approving the Receiver’s statement of receipts and disbursements for the period June 19, 2015 to December 2, 2015, and approving the professional fees and disbursements of the Receiver and its independent legal counsel, including the future estimated fees and disbursements of the Receiver and its independent legal counsel to completion of the receivership proceeding, and discharging the Receiver upon filing of a certificate certifying the completion of remaining receivership activities. The motion was originally returnable on January 6, 2016.
5. On or about December 11, 2015, prior to scheduling the Receiver’s motion, counsel for Addiction Associates advised that his client would not be opposing the relief sought by the Receiver. However, after the motion was scheduled, counsel to Addiction Associates advised counsel to the Receiver that his client would now be taking a position on the motion. This resulted in the motion being rescheduled.
6. On December 29, 2015, counsel to Addiction Associates filed a responding motion record which is comprised of the affidavit of Henry Goldberg (“**Goldberg**”) sworn on December 29, 2015 (the “**Goldberg Affidavit**”).
7. The Appointment Order, together with related Court documents, additional Orders and the Receiver’s reports to the Court have been posted on the Receiver’s website at [www.insolvencies.deloitte.ca/en-ca/NationalTelecommunications](http://www.insolvencies.deloitte.ca/en-ca/NationalTelecommunications).

#### **TERMS OF REFERENCE AND PURPOSE OF THE SUPPLEMENTAL REPORT**

8. The purpose of this supplemental report to the Second Report of the Receiver (the “**Supplemental Report**”) is to respond to the Goldberg Affidavit and to provide the Court with additional analysis and details to support the Receiver’s recommendation that the Court make an Order approving an initial distribution of \$600,000 to HSBC and

authorizing the Receiver to make additional distributions to HSBC if funds become available.

9. The Supplemental Report is intended to be read in conjunction with the Second Report and the Terms of Reference contained in paragraph 9 therein.
10. As set out in the Second Report, readers are cautioned that the Receiver has found the books and records of the Debtor to be incomplete, inaccurate, and to contain material misstatements; accordingly, the Receiver is unable to place any reliance on the financial reports of NTI.
11. Unless otherwise stated, all dollar amounts contained in the Supplemental Report are expressed in Canadian dollars.
12. Unless otherwise provided, all other capitalized terms not otherwise defined in this Supplemental Report are as defined in the First Report, Second Report or the Appointment Order.

## **BACKGROUND**

13. The Debtor is an Ontario corporation which operated as a re-seller of data communications equipment. The Debtor maintained and owned an office and warehouse located at 101 Innovation Drive, Unit 3, Vaughan, Ontario. The Debtor had ceased operating in the ordinary course prior to the date of the Appointment Order.
14. Pursuant to the Conduct and Fee Approval Order, the Court authorized the Receiver to file an assignment in bankruptcy by and on behalf of the Debtor in the name of the Debtor. On July 10, 2015, the Receiver assigned the debtor into bankruptcy, and Deloitte was appointed Trustee of the estate of the Debtor.
15. Nelson Guyatt (“**Guyatt**”) is the sole director and principal of NTI and was the only remaining employee of the Debtor as at the date of the Appointment Order. On December 16, 2015, Guyatt filed a proposal to his personal creditors pursuant to Division I of the *Bankruptcy and Insolvency Act* (Canada). Guyatt’s proposal was rejected by all

proven creditors at the meeting of Guyatt's creditors held on January 5, 2016. Accordingly, Guyatt was deemed a bankrupt and a resolution was passed at the meeting of creditors to appoint Deloitte as trustee of the bankrupt estate of Guyatt.

16. Goldberg is a Chartered Professional Accountant, a Certified Fraud Examiner and Principal of Norman, Goldberg & Co. LLP. Goldberg attended the Court hearing in this matter on June 30, 2015 without counsel and made submissions opposing the relief being sought by the Receiver in two capacities: Firstly, in his capacity as the accountant of the Debtor since its inception, he opposed the bankruptcy of the Debtor. Secondly, in his capacity as the President of Addiction Associates, he opposed the Approval and Vesting Order. A copy of the transcript of the Court hearing held on June 30, 2015 (the "**June 30 Transcript**") is attached hereto as Exhibit "A".

#### **THE RECEIVER'S RESPONSES TO STATEMENTS CONTAINED IN THE GOLDBERG AFFIDAVIT**

17. As set out above, on December 29, 2015, counsel to Addiction Associates filed a responding motion record which is comprised of the Goldberg Affidavit.

#### ***Sale of the Vaughan Property***

18. Paragraph 8 of the Goldberg Affidavit states: "*I had assisted the Receiver in bringing to the Receiver the party who purchased the property and, in addition, the estate benefited by the purchaser not buying through a real estate agent and a real estate agent not being paid a commission. This party was brought to the Receiver immediately after the appointment of a Receiver and therefore expenses were less because appraisals and listing the property were not required.*"
19. The Receiver acknowledges that Goldberg emailed an unsolicited offer (the "**April 8 Offer**") for the Vaughan Property from "John Mazza in Trust" to Deloitte on the evening of April 8, 2015, which was the day prior to the issuance of the Appointment Order. A copy of the April 8 Offer is attached hereto as Exhibit "B". However, the Receiver disagrees with Goldberg's assertion that "*...expenses were less because appraisals and listing the property were not required.*"

20. The April 8 Offer was not in a form that could be accepted by the Receiver, was conditional, and contemplated a fixed sales commission of \$20,000 plus a variable commission of 2.5%, both to be credited against the purchase price.
21. At that time, Deloitte had not been appointed. Once appointed on April 9, 2015, Deloitte was not in possession of any indications of value for the Vaughan Property and accordingly was of the view that the offer expiry date of Saturday, April 11, 2015 was not a reasonable one in the circumstances. Prior to and after the commencement of receivership, Deloitte made requests to Guyatt and Goldberg for information on the Vaughan Property, including a copy of a report which Guyatt advised had been prepared by a third party consultant. The Receiver did not receive further information from Guyatt or Goldberg in this regard. The Receiver also inquired with respect to the relationship among John Mazza, his real estate agent, and NTI, as the Receiver had indications that these parties might not have been acting at arms-length. Neither Goldberg nor Guyatt responded to this email. Attached hereto as Exhibit "C" is the Receiver's email to Goldberg dated April 16, 2015 documenting these requests and the status of the Receiver's intentions with respect to the Vaughan Property (the "**April 16 Email**"). Also included in Exhibit "C" is a copy of Goldberg's e-mail of April 15, 2016 to which the April 16 Email responds.
22. In order to quickly assess the value of the Vaughan Property in the absence of helpful information from Goldberg and Guyatt, the Receiver sought and received listing proposals with indications of value from Re-Max, Royal LePage and Home Life for the Vaughan Property.
23. The Receiver considered the indications of value from these brokers and continued to negotiate an improved offer from John Mazza. Following correspondence with the Receiver, Fernando Giandomenico submitted a revised offer on April 27, 2015 to the Receiver (the "**April 27 Offer**"), on behalf of "John Mazza in Trust". The Receiver's legal counsel then prepared an Agreement of Purchase and Sale with respect to the Vaughan Property. Following further negotiations, the Mazza Sale Agreement was executed on May 12, 2015. The Mazza Sales Agreement did not contemplate the payment of a sales commission to a real estate broker nor to any other party. The

purchase price of \$760,000 represents an increase of \$29,000 in proceeds, before closing adjustments and other direct costs, as compared to the April 8 Offer.

24. In order to facilitate the closing of this transaction, the Receiver agreed to Mazza's request for an extension of the title due diligence date from May 28, 2015 to June 2, 2015. On June 2, 2015, Mazza's legal counsel informed the Receiver in writing that the financing condition set out in the Mazza Sale Agreement was waived. As set out above, the Receiver served its motion seeking approval of the Mazza Sale Agreement on June 23, 2015 and obtained the Approval and Vesting Order on June 30, 2015. The Mazza Sale Agreement transaction closed on July 15, 2015.
25. Based on the activities described above and in the First Report and Second Report, the Receiver is of the view that it acted in a commercially reasonable and efficient manner in properly realizing on the Vaughan Property and refutes Goldberg's statement that "*...expenses were less because appraisals and listing the property were not required.*"

***Receivership realizations compared to Books and Records***

26. Paragraph 11 of the Goldberg Affidavit states: "*The real estate was sold for \$760,000.00 and \$310,065.00 was recovered for the receivables.*" While the statement made by Goldberg reflects the realizations between the Vaughan Property and the personal property as at December 2, 2015 as contained in the Second Report, it does not address the quantum of assets expected to be realized based upon the books and records of NTI when the Receiver was appointed.
27. As evidenced in paragraphs 21 to 60 of the First Report, paragraphs 22 to 30 of the Second Report and as set out below, the realizations of accounts receivable, inventory and other assets are significantly lower than expected when the Receiver was appointed based upon the amounts recorded for these assets in the books and records of NTI and as reflected in the Certificate of Compliance & Security Margin Report signed by Guyatt and filed with the Bank on or about January 25, 2015 to support his borrowings from the Bank.

28. On March 13, 2015, prior to the date of the Appointment Order, Deloitte attended at NTI's premises to meet with Guyatt and Goldberg (the "**March 13 Meeting**"). At that time, Guyatt and Goldberg provided Deloitte with printouts of summary accounts receivable ("**A/R**") and accounts payable subledgers as at March 13, 2015 (the "**March 13 Schedules**") which were generated from NTI's accounting system at that point in time. Guyatt and Goldberg responded to certain questions with respect to the March 13 Schedules and further mentioned that the account ledgers were not fully up to date. Deloitte sought explanations from Guyatt and Goldberg with respect to these balances, which set out Canadian customer A/R totaling CAD \$979,354 and US customer A/R totaling USD \$1,253,426, or approximately \$2.2 million on a nominal currency basis before applying an exchange rate factor. This compares to A/R balances that NTI previously had reported to HSBC totaling \$3.0 million and \$2.7 million as at December 31, 2014 and January 31, 2015, respectively. Guyatt and Goldberg were unable to provide an inventory list at the March 13 Meeting. Copies of the March 13 Schedules containing handwritten notes made by Deloitte at the March 13 Meeting with Goldberg and Guyatt are attached hereto as Exhibit "**D**".
29. Immediately following the March 13 Meeting, Deloitte prepared an information request list, which was forwarded to Goldberg and Guyatt. Notwithstanding numerous follow up requests by Deloitte with respect to this information list, Guyatt and Goldberg provided very limited cooperation and did not produce a schedule of forecast A/R collections, an inventory list or any liquidation valuation. In the April 16 Email, the Receiver reiterated to Goldberg and Guyatt that a significant body of information remained outstanding, which would provide assistance with the realization on NTI's inventory, A/R and certain other assets of NTI.
30. To date, only \$287,000 has been collected from the customers of NTI, being only 13% of the total of Canadian and US accounts receivable listed on the A/R Aging Summaries (in nominal dollars) provided by Guyatt and Goldberg on March 13, 2015.
31. The First Report also describes certain material, extraordinary "investments" made by NTI out of the ordinary course of business in the period just prior to the receivership. The Receiver has not been able to recover any amounts from NTI's unusual

“investments” in Gusto Foods or Episolar, or any of the other non-trade assets listed in the books and records of NTI to date.

32. With respect to NTI’s inventory, the reported inventory book value was \$860,000 according to the January, 2015 financial statements of NTI and \$990,000 as at December 31, 2014 according to NTI statements. Notwithstanding this reported book value, the Receiver only realized \$9,500 for the inventory following the Receiver’s request for offers process described in the First Report. This realization represents a 1% recovery on the January, 2015 reported inventory book value. The Receiver’s request for offers was sent to 10 identified prospective purchasers, including 8 parties recommended by Guyatt in response to the Receiver’s request that he provide names of customers and other potential purchasers of NTI’s inventory. The Receiver received two offers and accepted the highest and best offer totaling \$9,500 plus HST. None of the 8 parties identified by Guyatt submitted an offer for the inventory.
33. As set out in the First Report and the Second Report, the Receiver is unable to reconcile the reported book values of inventory to the actual quantities on hand as of the date of receivership (and subsequent liquidation values). The Receiver discovered material overstatements of reported accounts receivable. The Receiver has serious concerns about the bona fides of the non-trade “investments” recorded on the books of account of NTI. During the Receivership, neither Guyatt nor Goldberg have provided assistance to the Receiver to enhance these poor recoveries.

#### **PROFESSIONAL FEES AND THE RECEIVER’S ALLOCATION ANALYSIS**

34. Goldberg makes the following statements in paragraphs 5 to 7 of the Goldberg Affidavit:

*...in the accounting for the time spent by the Receiver and the Receiver’s counsel, a clear allocation should have been made as between time spent for the real estate and time spent for the other assets and receivables.*

*If the accounting was done in this fashion a review of the accounts of the Receiver and its counsel would clearly distinguish between work done on the real estate and work done on the receivables and then a proper*



*allocation could be made so that Addiction would only be charged a portion of the fees and disbursements as they related to the real property. When the accounts were submitted and in particular those submitted by the Receiver there was no such allocation.*

*The individual entries did not have a time attached to them nor, in many cases, were they sufficiently clear to indicate whether the work that was being carried out was for the real estate or the receivables.*

35. At paragraph 14 of the Goldberg Affidavit, Goldberg concludes: *“It is my view that were accounts prepared with sufficient identification detail evidencing the hourly rate and the fees charged and the work done that there would have been a sum of money available to be paid to Addiction.”*
36. As described in detail in the Second Report, the Receiver undertook a detailed allocation of the fees of the Receiver and its counsel using two different methodologies. Based on either allocation, there is insufficient net recoveries from the Vaughan Property to repay even the principal amount of the Bank’s first Collateral Charge, thereby leaving no funds available to repay the second charge of Addiction Associates in the principal amount of \$250,000. Including forecast net receipts, the Receiver estimates that HSBC will suffer a loss exceeding \$1.5 million on its secured advances to NTI, and is by far the largest unsecured creditor of NTI.
37. The Receiver in its fee affidavits submitted to the Court provided detailed descriptions for all daily entries for all of its accounts, however, daily time entries were not included. At no time prior to receiving the Goldberg Affidavit, had counsel for Addiction Associates requested any detail with respect to the Receiver’s accounts. If such a request had been made, the Receiver would have provided additional information. Since receipt of the Goldberg Affidavit and the scheduling of the Receiver’s motion, Receiver’s counsel forwarded the Receiver’s accounts with daily time entries included to counsel for Addiction Associates on January 15, 2016, which are also included in the fee affidavit described below.

38. Specific reference is made to paragraphs 31 to 45 of the Second Report with respect to the Receiver's allocation of professional fees using Methodologies #1 and #2.
39. As set out in paragraph 37 of the Second Report, at the request of Addiction Associates the Receiver undertook a detailed allocation analysis for the purpose of allocating the costs of the Receiver and TGF into three categories being the Vaughan Property, personal property, and those fees that could not reasonably be allocated to a specific asset recovery category (hereafter referred to as "**General**" fees and costs).
40. In undertaking the allocation analysis for Methodology #2, the Receiver reviewed the descriptions of all daily time entries set out in the first five interim accounts of the Receiver for the period April 9, 2015 to August 31, 2015 and applied percentages to the each entry based on whether work related to the Vaughan Property, personal property, and General matters that could not be reasonably allocated to specific asset categories. With respect to the Receiver's sixth and seventh interim accounts for the period September 1, 2015 to November 30, 2015, as well as the estimated fees to completion of the receivership administration, 10% of these fees was assumed to be allocable to personal property with the balance being allocated to the General category.
41. In undertaking the allocation analysis for Methodology #2, the Receiver reviewed the daily time entries from the bills of cost of TGF. For the period April 23, 2015 to October 30, 2015, the Receiver determined that \$9,998 (\$8,848 plus HST \$1,150) and \$12,396 (\$10,970 plus HST \$1,426) of fees were directly allocable to the Vaughan Property and personal property assets, respectively. With respect to the remaining costs of TGF for the period November 1, 2015 to completion of the Receivership of \$8,526 (\$7,545 plus HST \$981), the Receiver calculated all of this amount as a direct cost to personal property for simplicity and conservatism in preparing the analysis in Methodology #2. This allocation of remaining costs favourably benefits the net recovery to the Vaughan Property.
42. The Receiver then allocated the actual plus forecast fees of the Receiver of \$208,875 (\$184,845 plus HST \$24,030) and TGF of \$19,075 (\$16,908 plus HST \$2,167) that fell into the General category on a *pro rata* basis based on the percentages as used in Methodology #1 (i.e. 67% / 33%). The result of this allocation is that General fees of the

Receiver and TGF totaling \$152,726 (inclusive of HST) were allocated to the Vaughan Property, and \$75,223 (inclusive of HST) were allocated personal property.

43. As described in paragraph 40 of the Second Report, the results of this analysis were provided by Receiver's counsel to counsel for Addiction Associates on November 25, 2015 (see Exhibit "E" of the Second Report).
44. After delivering the analysis to counsel for Addiction Associates, counsel for the Receiver followed up by email and voicemail with counsel for Addiction Associates on several occasions between December 4 and December 11, 2015 in order to determine if there were any questions or additional information needed in respect of the Receiver's allocation analysis and if Addiction Associates intended to oppose the proposed allocation or the relief sought by the Receiver so that the motion could be scheduled. When counsel for Addiction Associates spoke with counsel for the Receiver on December 11, 2015, no details or clarifications with respect to the accounts of the Receiver or TGF or the allocation of them were requested. As a result, the Receiver finalized its Second Report, wherein its allocation results are set out in paragraph 41.
45. Copies of the detailed allocation analysis undertaken by the Receiver on the interim accounts of the Receiver and TGF for Methodology #2 are attached hereto as Exhibit "E". This exhibit includes a cover schedule summarizing the results on an account by account basis. For ease of reference, the allocation analysis is also summarized in the table below:

	Period From	Period To	Vaughan Property	Personal Property	General	Total
<b>Receiver</b>						
Invoice # 1	4/9/2015	5/15/2015	\$ 23,681	\$ 44,043	\$ 62,064	\$ 129,788
Invoice # 2	5/16/2015	6/5/2015	7,412	6,025	23,603	37,039
Invoice # 3	6/6/2015	6/26/2015	5,241	10,350	36,860	52,452
Invoice # 4	6/27/2015	7/31/2015	10,364	5,701	16,538	32,603
Invoice # 5	8/1/2015	8/31/2015	315	1,224	18,780	20,318
Invoice # 6	9/1/2015	10/31/2015	-	726	6,537	7,264
Invoice # 7	11/1/2015	11/30/2015	-	1,056	9,504	10,560
Estimate to Completion	12/1/2015	Completion	-	1,218	10,959	12,177
Total Receiver Fees			\$ 47,013	\$ 70,342	\$ 184,845	\$ 302,200
HST on Receiver Fees			6,112	9,145	24,030	39,286
Total Receiver Fees (inclusive of HST)			<b>\$ 53,124</b>	<b>\$ 79,487</b>	<b>\$ 208,875</b>	<b>\$ 341,486</b>

**Thornton Grout Finnigan LLP**

Invoice # 1	4/9/2015	4/30/2015	\$ -	\$ 450	\$ 1,200	\$ 1,650
Invoice # 2	5/1/2015	5/31/2015	3,475	1,425	1,180	6,080
Invoice # 3	6/1/2015	6/30/2015	4,050	4,583	12,947	21,580
Invoice # 4	7/1/2015	7/31/2015	1,323	58	1,580	2,960
Invoice # 5	8/1/2015	8/31/2015	-	3,088	-	3,088
Invoice # 6	9/1/2015	10/31/2015	-	1,368	-	1,368
Invoice # 7	11/1/2015	11/30/2015	-	1,325	-	1,325
Estimate to Completion	12/1/2015	Completion	-	6,220	-	6,220
Total Legal Fees			\$ 8,848	\$ 18,515	\$ 16,908	\$ 44,270
HST on Legal Fees			1,150	2,407	2,167	5,724
Total Legal Fees (inclusive of HST)			<b>\$ 9,998</b>	<b>\$ 20,922</b>	<b>\$ 19,075</b>	<b>\$ 49,994</b>

Total Receiver and Legal Fees	\$ 55,860	\$ 88,858	\$ 201,753	\$ 346,470
HST on Receiver and Legal Fees	7,262	11,551	26,197	45,010
Total Receiver and Legal Fees (inclusive of HST)	<b>\$ 63,122</b>	<b>\$ 100,409</b>	<b>\$ 227,950</b>	<b>\$ 391,480</b>

46. An overview of tasks and matters undertaken by the Receiver or its counsel, TGF, during these proceedings, which were allocated to the Vaughan Property, personal property and General categories is set out in the table below.

Vaughan Property	Personal Property	General
<ul style="list-style-type: none"> <li>• Taking possession and safeguarding of 101 Innovation Drive, Unit 3, and additional site-attendances.</li> <li>• Correspondence with NTI's insurer to continue the policy, and subsequently seeking and obtaining replacement insurance</li> </ul>	<ul style="list-style-type: none"> <li>• Compiled invoice data and issued demand letters with respect to the Debtor's accounts receivable Correspondence with customers for payment.</li> <li>• Correspondence with collection agency for specific accounts and provision of supporting</li> </ul>	<ul style="list-style-type: none"> <li>• Preparation of the Receiver's reports to Court and compiling of relevant motion materials.</li> <li>• Correspondence with creditors and responding to queries.</li> <li>• Preparation and issuance of the statutory notice and statement of the Receiver to creditors.</li> </ul>

Vaughan Property	Personal Property	General
<p>due to cancellation by the legacy insurer at the end of the policy term in June 2015.</p> <ul style="list-style-type: none"> <li>• Settlement of outstanding property tax arrears and condominium fees owing, and discharge of the condominium fee lien.</li> <li>• Coordinating site visits and reviewing listing proposals from three real estate brokerages.</li> <li>• Review of unsolicited offer, and correspondence with the real estate agent representing the purchaser.</li> <li>• Review agreement of purchase and sale; negotiate Mazza Sale Agreement; attend to all matters to close transaction.</li> <li>• Attending to protective and other disbursements (e.g. utilities, locksmith, removal of items from prior to closing, etc.).</li> <li>• Correspondence with TGF and Torkin Manes with respect to the sale of the property and independent security opinions on the charges held by HSBC and Addiction Associates.</li> <li>• TGF's preparation of the initial agreement of purchase and sale, which was then forwarded to specialist real estate counsel at Torkin Manes LLP.</li> <li>• TGF correspondence with Torkin Manes re: security review, charges and matters re: APS and closing.</li> </ul>	<p>information.</p> <ul style="list-style-type: none"> <li>• Preparation of the Connect Settlement Agreement, and negotiations with the collection agency and customer on same.</li> <li>• Receivership notification letter to TD Canada Trust to request that the cash balance of the Debtor and historical account information be directed to the Receiver.</li> <li>• Arranged for two auctioneers to attend at the premises to inspect the inventory and other fixed assets located at the Vaughan Property.</li> <li>• Physical inventory count with Guyatt. Preparation of an inventory list and conducted the request for offers. Execution of bill of sale with the successful purchaser and closing.</li> <li>• Review in respect of the personal property security granted by NTI to the Bank.</li> <li>• Correspondence with respect to Sun Life Financial re cash surrender value of life insurance policy.</li> </ul>	<ul style="list-style-type: none"> <li>• Perform detailed preliminary review of NTI's books and records, banking transactions and non-trade amounts owing to the Debtor. Drafting of letters to specific parties and additional correspondence with respect to same. Identification of unusual transactions for further investigation, as more particularly described in the First Report.</li> <li>• Correspondence and meetings with Canada Revenue Agency ("CRA"). Compilation of information and facilitation of CRA audits of the Debtor's tax accounts.</li> <li>• Correspondence with Guyatt and Goldberg re CRA's information requests. Review of CRA's examiner's statement of account and settlement of the deemed trust portion re: unremitted employee source deductions. Review of CRA findings re: audit of the pre-receivership period. Request creation of new HST account for the post-receivership period.</li> <li>• Review of the Debtor's books and records available in hard copy and electronically on computers located at the Vaughan Property. Meeting with Guyatt re: available records, and correspondence re: Receiver's concerns on the lack of accuracy and completeness of information. Transfer and removal of files and computers from the Vaughan Property prior to closing of sale transaction.</li> <li>• Inquiries of various other parties connected to the business of NTI.</li> <li>• Backup of electronic information and imaging of the NTI's hard drives by Deloitte Forensics.</li> <li>• Review of Debtor email accounts, and taking steps with NTI's email service provider to preserve data.</li> </ul>

Vaughan Property	Personal Property	General
		<ul style="list-style-type: none"><li>• Correspondence with Honda Finance Canada Inc. on leased vehicles.</li><li>• Coordinated the delivery of T4 slips to the two former employees of the Debtor.</li><li>• Trust account administration and preparation of statements of receivership receipts and disbursements.</li><li>• Preparation of interim accounts and allocation analysis requested by Addiction Associates.</li></ul>

47. The Receiver is of the view that it is reasonable and appropriate to allocate General expenses based on the net recoveries from the two asset pools. Due to the poor recovery on the personal property of NTI (as compared to the reported values of these assets in NTI's books of account), this results in an allocation of 67% to 73% of the General fees being allocated to the Vaughan Property. As set out above, for the purpose of determining recoveries, the Receiver allocated 67% of the General fees to the Vaughan Property under both allocations.

48. For completeness, attached hereto as Exhibit "F" is an Affidavit of Paul Casey of Deloitte sworn on January 19, 2016 annexing all of the Receiver's accounts including the two previously approved by the Court with the details of time spent by professional each day and which provides the average hourly billing rate analysis to support the fees of the Receiver for the period from June 6, 2015 to November 30, 2015.

## CONCLUSION


49. The Receiver does not agree with the assertions in the Goldberg Affidavit that: i) expenses for the marketing and sale of the Vaughan Property would be less because appraisals and listing the property were not required; and ii) if accounts were prepared with sufficient identification detail that there would be a sum of money available to be paid to Addiction Associates.

50. Goldberg in the Goldberg Affidavit requests a detailed accounting of the Receiver's and solicitors' accounts, which is provided herein, which detail would have been provided previously had it been requested or had Addiction Associates indicated when the motion was initially scheduled that they would be opposing the relief being sought.
51. The Receiver is of the view that the detailed accounting supports the Receiver's recommendation that the Court make an Order approving an initial distribution of \$600,000, and additional distributions as funds become available, to HSBC.

All of which is respectfully submitted at Toronto, Ontario this 19th day of January, 2016.

**Deloitte Restructuring Inc.,**  
solely in its capacity as the  
Court-appointed receiver and manager  
of National Telecommunications Inc., and  
without personal or corporate liability

Per:

  
\_\_\_\_\_  
Paul M. Casey, CPA, CA, CIRP  
Senior Vice-President

# **Exhibit “A”**



SUPERIO COURT OF JUSTICE

BETWEEN:

HSBC BANK

Applicant

and

NATIONAL TELECOMMUNICATIONS

Respondent

P R O C E E D I N G S

BEFORE THE HONOURABLE JUSTICE B. CONWAY  
on June 30, 2015 at TORONTO, Ontario

APPEARANCES:

M. Nowina

Counsel for the Applicant

K. Mahar

Counsel for the Receiver

H. Goldberg

Agent for Addiction Association Inc.

TUESDAY, JUNE 30, 2015

THE COURT: All right, HSBC Canada, National Telecommunications. Mr. Nowina for HSBC, morning.

MR. NOWINA: Good morning, Your Honour.

THE COURT: Ms. Mahar?

MS. MAHAR: Yes, good morning, Your Honour.

THE COURT: You're on for the receiver?

MS. MAHAR: Yes, we are.

THE COURT: And Mr. Goldberg? Okay, and you are here taking a position on the requested relief here?

MR. GOLDBERG: Correct.

THE COURT: Okay. I don't have any materials from you. Was - had you filed any materials?

MR. GOLDBERG: No, my lawyer was - and I had some conversations with him the other day and he was going to send a representative as well and - I decided I would come down and try to - give our position from the creditor and the mortgagor on the property.

THE COURT: Okay. And sir, you're representing yourself?

MR. GOLDBERG: Correct.

THE COURT: Today?

MR. GOLDBERG: Today.

THE COURT: Okay. Well, I've reviewed the motion record.

MS. MAHAR: Yes, Your Honour.

THE COURT: And I see that the order that you're seeking....

MS. MAHAR: There are two orders being sought. One I just confirmed with Mr. Goldberg, I don't think

he takes issue with, which is at tab four. Which is the approval of the conduct activity statement of receipts and disbursements. He's of the receiver.

THE COURT: Mm-hmm.

MS. MAHAR: And bankruptcy of the respondent.

THE COURT: All right.

MS. MAHAR: And I can walk you through that because I know what was an issue that was originally in the application material that was brought before Your Honour and at the time, and your endorsement is in the record, at the time you deferred granting that relief, bankrupting the...

THE COURT: Mm-hmm.

MS. MAHAR: ...to allow further time for them to consider it. We obviously served the - there's extensive reason to bankrupt this company to allow for further investigations. We've tried to put into the record the fact that there was supposed to be millions in receivables that have amounted to 18,000 in collections.

THE COURT: Yes, I saw that.

MS. MAHAR: There were inventory worth 930,000 that was sold for 10 by the receiver. I mean this was a lot of unusual circumstances. Mr. Guyette (ph) was served with this motion. We also followed up and I have correspondence that I could hand up, and he is - to advise him that we would be seeking the bankruptcy at this time. He asked for information in respect of what that looked like. This is after we served the motion, immediately following, and he said again he would seek legal advice which is what

5 he had told the court, I think back at the very  
beginning before I was involved, when the  
appointment was occurring. And he's not got back  
to the receiver again and you can see as a sort of  
trail through the receiver's report promises  
without being fulfilled. Information coming that's  
not forthcoming. Records that are abysmal,  
probably, is a nice way to put it in certain  
circumstances, and a lot of questionable  
10 transactions. So, that's why the relief is being  
sought now, because we think that a bankruptcy  
trustee is the party that should be doing those  
investigations. It's most effective. And that's  
what the *Bankruptcy Act* allows.

15 THE COURT: Can you just walk me through though,  
the act of bankruptcy?

20 MS. MAHAR: What act of bankruptcy this company  
did? Sure, it owes 2.3 million dollars to HSBC.  
It was demanded on March 11 and it still remains  
unpaid. It owes the second mortgagee who is here  
opposing the sale, another 250 on its face plus its  
costs and interest which it accrues at, according  
to their payout statement, at 320,000 which it has  
no funds to pay.

25 THE COURT: So, it actually has not made payments  
as they have become due, correct?

30 MS. MAHAR: Absolutely, Your Honour. They're - but  
we're - there are many acts of bankruptcy in this  
case but that one is a definite. So, in respect of  
that order I could pass it up and we could deal  
with that or we can go through the opposition to  
the other before we do - I'm in your hands.

THE COURT: I'd like to do everything before you start handing things up.

MS. MAHAR: Sure. Okay, so is there any questions from the bench in respect of the other relief in the, sort of what I'll call the unopposed order? I'm happy to walk you through anything else. The receiver's activities are extensively set out in the report.

THE COURT: Why do you need to bankrupt the company now to do this investigatory work? Is that not something that the receiver can be doing?

MS. MAHAR: It's - the powers under the *Bankruptcy Act* are broader. They allow for - just under s. 163, 164, they allow for examinations. They allow - and it's a more cost-effective process as well I believe. And it's just, there is examinations under oath that have to take place of the debtor which don't in a receivership, including examinations by the official receiver if they want to be involved. So, the - quite frankly the *Bankruptcy Act* is set up to deal with exactly the type of questionable transactions that the receiver's uncovered in this receivership.

We're talking 1.5 million dollars that just - and you know, doesn't exist and transactions that, when we contact counsel for the parties, for example in *Gusto Brands*, they say they're - that, you know, they were never involved in any transactions with this company. Like, there is a number of situations here where if the receiver - you know in order to go further, the receiver has the ability

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to send a letter. The trustee has the ability to actually examine and there's - require documents to be, you know, disclosed, and it's just a broader power than what can be set out in a, you know, 32-paragraph order under a receivership.

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And like I said, we did serve the company's director. We also sent - and I could hand this up, I'm happy to do that, because this is a detailed sort of engagement with Mr. Nelson Guyette, who is the principle, advising what the bankruptcy provides and notwithstanding again that before attending to get the receivership order which he consented to, that had that provision but it wasn't specific that he had consented to that provision and again, we've served it, sought the order on full evidence, I think, of where there's the various conduct. And then went to him again separately just to say, this is the relief, do you have any issues? And he has not responded past saying I will seek some legal advice and get back to you. So, if I could hand up a copy of that, thank you, Your Honour.

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THE COURT: Thank you.

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MS. MAHAR: Your Honour, the receiver also advised me that there are also U.S. transactions where the *Bankruptcy Act* has a broader scope. It's easier to address some of those transactions under the BIA, rather than under the receivership. And if there's further evidence that you require, there's also the ability to deal with preferences and transactions, reviewable transactions, transactions at under

value which in reviewing our receiver's report, some may have - some of the transactions may be of that nature.

THE COURT: You didn't give me a factum on this, did you?

MS. MAHAR: No, Your Honour.

THE COURT: So you sought his consent. All right, and so essentially this is unopposed in any event?

MS. MAHAR: It is, Your Honour, but I....

THE COURT: Well, Mr. Goldberg seems to....

MS. MAHAR: Unopposed on this part, on - there's another motion, there's another part of the motion.

THE COURT: No, no but he just raised his hand with respect to this part. Please stand.

MR. GOLDBERG: Sorry.

THE COURT: Thank you.

MR. GOLDBERG: (Indiscernible).

THE COURT: All right, so when you want to address the court, thank you.

MR. GOLDBERG: I guess my question is, do I have any standing here as a creditor as well of the company?

THE COURT: Well, you've been served so....

MR. GOLDBERG: So, yeah. I would oppose what they are asking for. I think the court's protection during this whole receivership is much better from a creditor's point of view than, you know, looking at the expenses and the way the operations have been sort of disintegrated by the receiver over a period of two months. I sort of take concern that there is very well equity if any, for any of the creditors beyond the bank.

THE COURT: What evidence do I have of that?

MR. GOLDBERG: The fact that they sold close to seven - what was the inventory that was valued?

MS. MAHAR: The value of the inventory?

MR. GOLDBERG: Yeah.

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MS. MAHAR: Sorry, Your Honour, the inventory is set out starting at paragraph 23. As of December 31, 2014 the debtor reported inventory balances of 860 to 990 and in paragraph 28 the receiver accepted a non-block offer at 9,500. Your Honour, this is exactly why bankruptcy powers are necessary. It's the - and I'm not going - it's the books that were inaccurate, of the value of the inventory. We brought in, as you can see requested proposals from third party auctioneers. These are people that, this is what they do for a living. It's not the process the receiver ran that's under scrutiny. It's the company and its nefarious operations that should be under scrutiny.

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THE COURT: Mm-hmm. Mr. Goldberg, when you say you're here as a creditor of the company are you now acting as Addiction Associates, which is the corporation or are you acting as the accountant of this corporation?

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MR. GOLDBERG: No, the accountant of the corporation....

MS. MAHAR: This is the accountant of the corporation.

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MR. GOLDBERG: I have been the accountant of the corporation since inception. I take exception to the fact that the books are nefarious, was the term I think, or the operation was....



MS. MAHAR: Well, this is....

MR. GOLDBERG: The client was involved in the fraud of a million eight or two million dollars. He ran an effectively profitable business since inception. Never had a failure. This was outside of his normal operation. There was many opportunities to deal with the receiver during the whole course, that we were offering, including myself who offered many hours of service gratis until it got out of hand, insisting that we offer to sell the inventory at a reasonable price. It was wholesaled out and we offered to collect the receivables. We were not allowed to deal with that. Again, I say me in the general sense. I was present at the conversation with the client and the receivers. I was trying to assist in the....

THE COURT: What are you proposing?

MR. GOLDBERG: Well, I don't understand why we need a bankruptcy per se, rather than the receivership winding everything up.

THE COURT: But you've been critical of the receivership just now.

MR. GOLDBERG: Well, it would just incur additional costs and take on, I don't know, whatever position they were taking on.

THE COURT: So, you want to perpetuate the receivership that you say has not been properly managed?

MR. GOLDBERG: I'm just suggesting that the court would oversee it on an ongoing basis rather than have a bankruptcy where the trustee has full free hand, let's put it this way, of doing whatever

operations its doing.

THE COURT: Well, it is regulated.

MR. GOLDBERG: I agree it's regulated and I believe they are honourable. It's just, I guess, the way that they proceeded today has been somewhat questionable in my mind, professionally. But that's just my opinion. It's not necessarily fact.

THE COURT: Okay.

MR. GOLDBERG: Okay, so that was the only thing I wanted to express and I'll leave the rest.

THE COURT: And you're taking a position on the other motion as well?

MR. GOLDBERG: Yes, I am.

THE COURT: All right. Well, why don't I hear from, I think Mr. Nowina had something he wanted to say about this?

MR. NOWINA: If you're receiving submissions in part, on each parts of the motion...

THE COURT: I am now.

MR. NOWINA: ...respectfully, Your Honour, HSBC who supports the receiver's motion with respect to the bankruptcy, as you know we did seek that relief at the initial return of the application because of all the issues that were at that point just known to us, raised concerns about whether there was going to be a long-lived collection process or if this was really going to be an investigation, an attempt to set aside preferential payments. And as we can see, the receiver's done a bit of the initial investigation and all of those issues that we knew about a little bit have come into sharper focus.

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You know, the fact that there is going to be a huge loss on this file in terms of the collections versus the costs and you know, what's been recovered, all call out for a bankruptcy. The added powers that my friend for the receiver spoke about is another reason for the bankruptcy but the power to set aside and investigate preferential payments and that sort of issue, again under the *Bankruptcy Act*, deals with what those powers are.

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In terms of Mr. Goldberg's comments, you know, the *Bankruptcy Act* is a regime that is intended to be, you know, creditor-driven. You know, he'll have a voice in that process and if there are issues about the costs of the bankruptcy, that those can be addressed, you know, when they come up at the time and he has a right to be heard through that process like all creditors.

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THE COURT: Thank you. I guess my question, counsel is, is this really the appropriate time to pull the plug to enable a trustee to exercise these broad investigatory powers or is there, does it make sense to give a little bit more time to see what else the receiver can do?

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MS. MAHAR: But Your Honour, I would say that it is the time. The receiver undertook, as you can see through the report, a number of steps to try to realize on property, to try to realize on receivables, to sell the assets and I do agree with my friend Mr. Nowina in the fact that a bankruptcy allows for inspectors, allows for a meeting of

5 creditors, allows the voices of creditors to be heard. So, it's counter-intuitive to say, we don't want a bankruptcy because we don't want to have investigatory powers because it doesn't have the court's oversight, but we have registrars and bankruptcy master that do oversee bankruptcy, oversee a number of the provisions in bankruptcy including if any actions were to be brought in respect of transactions that undervalue. All of those are run through the court system.

10 So, it seems to me that you'll hear from my friend Mr. Goldberg that he opposes the sale transaction, but he wants the receivership to continue and that there - at some point those two things are counter-intuitive, allowing us to put the company into bankruptcy, hopefully close a sale transaction, come back for distribution and discharge, takes this process and ends it and allows the investigations to go to the benefit of creditors and see what there is to recover. And if these transactions that were in the books are \$926,086 to Panda Ventures is a proper one to be - out of the U.S. is a proper receivable that should be collectable, then, you know, that should be able to be brought under the *Bankruptcy Act* and those, you know, that transaction, you know, it's set out in their books and records, then that should be something that the trustee should be able to go after. A receiver continuing to try to go after them when they've said that the money's not owing, that this was not the type of transaction that was

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in the books and records, I mean, you end up at an impasse.

THE COURT: All right. So, Mr. Goldberg, did you have anything more to say on this issue?

MR. GOLDBERG: No.

THE COURT: No? All right, so now I will hear about the, I guess it's the sale motion?

MS. MAHAR: Yes, Your Honour.

THE COURT: Mm-hmm, the approval investing order.

MS. MAHAR: Yes, the approval investing order. The materials start under the motion record.

MR. GOLDBERG: I still don't have one.

MS. MAHAR: You want to...

MR. NOWINA: I have my friend, you can share with....

MS. MAHAR: I don't think you'll have a problem if you sit down.

MR. GOLDBERG: Okay.

MS. MAHAR: So again, going back to the commencement of this proceeding, it was originally brought before Your Honour - now Mr. Goldberg is here in a different capacity, not as accountant but as an officer and director, he advises of Addiction Associates which is a second secured creditor on the property that's being sold.

THE COURT: Mm-hmm.

MS. MAHAR: He's not on the most recent corporate profile report we have, but in any event - and he has counsel but you've heard his reasons for being here on his own and...

THE COURT: Mm-hmm.

MS. MAHAR: ...we're content to have him make

5 submissions. Originally this application was returnable on April 2 and inadvertently Addiction Associates wasn't served. Then they were properly served and it was brought before Your Honour on April 9, where Mr. Goldberg on behalf of Addiction Associates did not oppose the receivership.

THE COURT: Right.

10 MS. MAHAR: The receivership order is model order which, among other things, allows for the sale of property to be undertaken and a court approval of a sale over a certain amount, which I'm happy to bring you through the section but in any event, the evening before you granted the order appointing the receiver, if you look at paragraph 74, Mr. Goldberg...

15 THE COURT: Paragraph 74.

MS. MAHAR: ...seventy-four, it's sale of the sold assets...

THE COURT: Yes.

20 MS. MAHAR: ...including the Vaughan property.

THE COURT: Mm-hmm.

MS. MAHAR: And it's the Vaughan property that Addiction Associates has the mortgage on.

THE COURT: Mm-hmm.

25 MS. MAHAR: On the evening of April 8, the day prior to the granting of the appointment order, Mr. Goldberg, by email, sent an unsolicited offer for the Vaughan property. John Mazza in trust....

THE COURT: This was with the commission?

30 MS. MAHAR: Right, that's correct.

THE COURT: Right.

MS. MAHAR: It had commission. It would have

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netted proceeds of 751,000 at net commission, just  
- they did, the receiver was subsequently the next  
day appointed. It was a 2.5 per cent commission on  
a \$770,000 sale. The receiver requested  
information as you can see in paragraph 75, which  
was not forthcoming from Mr. Guyette in respect to  
the property. The receiver then approached three  
real estate brokerages for listing proposals and  
estimated valuations. Just for completeness, Your  
Honour, that was Re-Max, Royal LePage and Home  
Life.

THE COURT: Mm-hmm.

MS. MAHAR: It received those and then on April 27  
the same John Mazza in trust so, came back forward  
with a subsequent offer.

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THE COURT: This is for the 760...

MS. MAHAR: Yes it is ultimately.

THE COURT: ...and no commission, right?

MS. MAHAR: That's correct, so a better net result.

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THE COURT: Mm-hmm.

MS. MAHAR: And as stated in the receiver's report,  
the estimated valuations allowed the receiver to  
conclude that it would not do better by going to  
market, having received three valuations. And so  
the receiver negotiated a sale agreement which was  
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signed on May 12. The conditions under the sale  
agreement were waived on June 2 and we're before  
Your Honour today to seek the approval and it's  
subject to court approval.

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THE COURT: Mm-hmm.

MS. MAHAR: Mr. Goldberg advises that he would like  
to redeem the mortgage, the first mortgage and not

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do the sale because he says that they won't get  
out. I'm not - he won't otherwise be paid in full.  
We're not here for a distribution because we  
haven't even closed a deal, a transaction and don't  
have funds to distribute, so it would be odd to  
distribute before we had funds. So we - the  
mortgage that is in first position is the mortgage,  
a collateral charge that's set out.

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I think it's important to understand firstly that  
this receivership application, Addiction  
Associates, gave no - received notice, understood  
what the charges were, understood what the order  
was and now comes back and says don't like the  
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results, want out of the process. It's kind of not  
the way it works. You don't get to, you know - the  
process was undertaken by the receiver based on the  
order it had to - you know, to deal with the assets  
including sell this business. It's not an issue  
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about improvident sale, because we actually  
received more proceeds than the offer he brought  
forward, right, and so we've got a situation where  
he's coming after the fact and saying, well I just  
want to redeem the mortgage and I don't care about  
anything else because I'll - HSBC's first, and let  
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us out of the receivership basically. But the  
receivership takes all the property and it's been  
going on since the beginning of April

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With respect to the charges and what we know about  
the charges on the property, there's been a review  
of the security in respect of HSBC who is owed in



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excess of 2.2 million dollars, inclusive of interest and costs. Their first mortgage on the property, the Vaughan property, is a \$520,000 collateral charge which accrues interest from the date of demand at prime plus 3 per cent and then plus costs, charges and expenses in accordance with the receivership order - the, all the charges is the receiver's charge. And we're not here again, for a distribution or an allocation of that but the court can't lose sight of the fact that those costs, there's a charge that is higher than both HSBC and Addiction Associates.

Addiction Associates has provided a pay-out statement to say that they're owed 320,250 under their mortgage and we've requested - legal counsel's requested - and it's Torkin, Manes who deals with the real estate for the receiver - Addiction Associates' security documentation and as of this morning I confirmed they're still waiting on certain documentation. And I would have confirmed more in an affidavit had I known that this was being opposed but I didn't know until we got here today.

So, based on what the receiver has been able to conclude and based on three estimated valuations of the property the receiver recommends that the court complete the Mazza sale agreement.

THE COURT: Do I have any information about those valuations?

MS. MAHAR: Other than to say that, following a

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review of three listing proposals from third-party real estate brokerages and considering the additional carrying costs that would be incurred for the vacant unit - and I can go through those actually, the carrying costs, I should - the receiver has concluded that it is unlikely that it would realize superior net proceeds from the Vaughan property if the court does not approve the Mazza sale agreement and the receiver were required to re-market the Vaughan property.

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Again, had I known that this was, I would have put in supplementary materials. It's not - I emailed the service list yesterday asking if anyone was attending. Mr. Goldberg advised he was. I asked if he was opposing and I received no response. So I apologize, I could have had those for Your Honour this morning had I known. I do have the information but I don't think it's probably - it's not fair to have it without being sworn but suffice it to say, there were greater or we would have marketed the property and that's exactly what the receiver's report says.

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With respect to the carrying costs and the costs incurred, those are set out actually in, to date in the R and D which the receiver has, at tab F and they're the typical things you'd expect to continue to accrue or to have accrued. Under disbursements - these are just the ones that have been paid, not all the accrued to date, but to date the receiver has paid, of that 12,000 approximately 11 of it is

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related directly to the property, the bank fees obviously and the filing of the official receiver and HST potentially is not but the rest is all related to the property so, the expectation would be that the transaction is scheduled to close by July 15 and that immediately following there we would bring forward a motion to seek distribution assuming that the transaction closed. So just as far as timing, on a full record and hopefully by that time we'll have everything to be able to have reviewed the security, have counsel, real estate counsel on behalf of the receiver review Addiction Associates' security and for HSBC to determine their costs and expenses under their collateral charge and obviously an allocation of the receiver's charge before a distribution could be made in respect of these proceeds.

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So subject to further questions I think those are my submissions, Your Honour. Thank you.

THE COURT: Thank you, counsel. All right, Mr. Goldberg?

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MR. GOLDBERG: Yes, thank you very much. What's been expressed is really what brings up my biggest concern. The mortgage was placed behind a first mortgage of \$525,000. There was full knowledge of that and whatever costs related to the default were - you know, can be expected when placing a mortgage. Prior to the bankruptcy or the receivership there was an offer on the property that would have netted in excess of 770. This was presented to the receivers prior to them taking on

the job as the receiver. They did not accept the sale. They suggested - and we said okay, we will wait because of the procedure, we will wait and market the property properly.

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I then solicited the, an offer that would be sufficient to pay off the first mortgage and our charge completely, including commission with the gentleman that then came back to the receiver knowing that if the receiver is there he could, they could deal with them. When I sent that initial offer to the receiver there was sufficient money to pay legals and all of the expenses including discharge our mortgage in full without incurring any additional costs.

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Now we're being told that there is additional costs in looking after this building and soliciting three real estate offers. We multiply, or on multiple occasions had....

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THE COURT: Hold on, I'm going to interrupt you for a moment.

MR. GOLDBERG: Sure.

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THE COURT: You put forth the unsolicited offer right?

MR. GOLDBERG: Correct.

THE COURT: And that had the commission, and what I'm hearing from the receiver is that the deal that they have from Mazza now nets more than....

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MR. GOLDBERG: I disagree with that because I had negotiated that it would net more and the selling agent would have to eat the commission or get that,

5 and he had agreed. When the receiver started dealing with him they asked to submit to them, so forgive me but it's not necessarily as outlined in their documents and you can confirm that if need be or we can get a statement from the agent that this was negotiated at that price prior to the receiver taking on the responsibility of taking it on, getting a price.

10 My comments to the receiver continuously were that right now we can get out without any body losing any additional costs including us but I don't know the value, would you satisfy yourself - 'cause I was satisfied with the sale at that price. We were done, we got 100 cents on the dollar. There was not costs at that time to carry the property. They were going to close immediately. They were prepared to close at the end of that month, which was back in April. We asked the receiver to satisfy themselves on that value by email, by voicemail, my discussion with Mr. Casey who's present here, suggesting that they get a valuation because I didn't want to do anything that would later on be viewed as sinister or underselling the property. 'Cause these are the same people that had an offer prior to the receivership commencing.

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30 Now we're here three months later and the receivers are patting themselves on the back with the legal saying, oh we've done it with all these additional charges that are impeding our ability to recover. From the first week that we started having issues

5 with the receiver in dealing with this property, we offered to redeem. I suggested that to the first - I suggested that to Mr. Casey. I suggested that to my friend Michael here - I forget his last name, sorry I can't pronounce it - we were then moved along to Torkin, Manes which again we did a request for a payout to redeem the mortgage. No response.

10 Unfortunately my lawyer is in Italy and can't communicate I guess, what transpired or what position we are in now, but we are still in the position and we could close immediately as we've always suggested, to pay off the first mortgage up to the 525. We would now be incurring the condo fees which we shouldn't have been incurring because they've been utilizing the property to operate the business. There is taxes that have not been paid because the receiver has not taken on the responsibility to paying for those premises while they operate the business. And they keep

15 undermining our ability to collect the balance outstanding. If there was enough money to redeem - and I'm sure I could go back again and negotiate with - because they want the property, I could probably do it without all these additional costs that we're, that the receiver is trying to bear ahead of us.

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30 And that's why again back - I need the court's protection as a creditor, to not get some arbitrary, you know, 200, \$300,000 of fees allocated somehow on a percentage basis to the sale

of a real estate property that could have been sold three months ago without any additional costs.

THE COURT: Except that the property was always part and parcel of the receivership, right?

MR. GOLDBERG: It was owned by the company but....

THE COURT: Was it not?

MR. GOLDBERG: Well, it was but we believed at the time that the courts were going to appoint the receiver, that they would look after the creditors fairly and as a secured creditor, we would have a limited amount of exposure to their costs.

THE COURT: You were always going to be exposed, in a receivership to the costs of the....

MR. GOLDBERG: No, we have a second mortgage. The second mortgage is - my understanding and I may be incorrect and that's why, you know, unfortunately I need a lawyer to confirm - my friends here cannot confirm on my behalf I guess, but maybe the courts can. The way I understand the process is, there's a first mortgage that has the first charge up to the amount of the principle amount which in this case is 520. We lent our secured loan based on the fact that we had a confirmation that the secured amount ahead of us was 520 and that's the decision we made to lend on this property. If now there's additional costs that are being brought in in respect to operating the business that has nothing to do with the real estate, I have concern that, why should the bank have priority to a secured position? If the judge agrees that there is no priority to that ahead of the charge whatever's behind, the bank has.

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As long as we get what we're entitled to under the security agreement I'm fine. No different than the bank sort of expense to get what they are entitled to under their security position. They are entitled to their \$520,000 in the first mortgage, by all means. The realty tax people are entitled to theirs. But I've been burdened with all these additional costs because the receiver, even though we've attempted to move this thing quickly and efficiently and realize more for the company and the creditor, then we have. We've been stymied all the way through. I have to sort of throw myself in front of the court and hope that they're going to be....

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THE COURT: So what are you looking for today, Mr. Goldberg?

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MR. GOLDBERG: I'm looking for a ruling from you, I guess, to say that the property, the outstanding first mortgage is 520,000 plus the realty taxes and condo fees. We will be allowed to redeem that, take the property on, have a release from the bank for the property. We will buy it for that value and then we're done. And we don't care what happens to the company. Go - they can do what they want with the rest of it. I think that's only what's fair in this agreement. There's - again, you know, I can't rely on documentation that's prepared by other lawyers and speak to whether, you know, they're proper or not. That's what my friend is trying to suggest. I'm hoping that those are and if not we have insurance so if that's



determined that that's not, you know, a valid mortgage, then we have insurance to fall back on through Stewart Title. But at least under this process, I don't want to be jeopardized by this whole process.

THE COURT: Okay.

MR. NOWINA: Your Honour, on behalf of HSBC, I just have a few brief comments. Firstly, my friend already said this but our mortgage is not limited to \$520,000. It's that amount plus interest and costs and that issue is not before the court today. The only issue before the court today is whether this sale should be approved. In terms of - you have a question, Your Honour?

THE COURT: No, I was going to say that any issue of costs ranking ahead - that's all to be determined on a distribution motion, as I see it.

MR. NOWINA: Correct. That's exactly my point. The price that the receiver has obtained for the property is better on a net basis than when it started out. So, there can be no issue that this is a good sale for all creditors. Mr. Goldberg's complaint about the costs that have been accrued in the receivership, you know, with respect to him, he appears to be saying that perhaps he should have taken a position earlier but he didn't and he now regrets that but that was his choice. He is a - he is here on behalf of a company that lent money, just as HSBC lent money. In contrast, the bank retained counsel. It represented its interests in court. It sought the receivership order.

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Mr. Goldberg's choice on behalf of Addiction Associates not to do that and to complain at the 11<sup>th</sup> hour is highly inappropriate. There is a process that was engaged by this court which empowered the receiver to go out and sell the property. Mr. Goldberg was aware that that was happening. He was aware that any power of sale proceeding that he wanted to bring would be, was stayed by that order unless he brought, you know, leave to this court. He didn't bring leave. He allowed the receiver to engage in a process of, you know, canvassing the value of the property with listing agents and then negotiating a better price with the purchaser. And he now comes to the court at the 11<sup>th</sup> hour and saying, stop the process. Allow me to redeem, lift the stay.

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This type of behaviour by creditors, by secured creditors, is counter-productive to the integrity of the process. And if this becomes a regular thing, that this is what happens, you know, creditors throw themselves on the court and say I should have done things better but allow me a second chance to redeem, it would create huge difficulties for receivers trying to market and sell property and to achieve the best value for creditors in the future. So respectfully, HSBC is in full support of the sale of the property and any issues about costs, as we will certainly make our submissions, that the costs on the distribution motion, but that will be for a separate day, another day where Mr. Goldberg and Addiction

Associates can make whatever submissions he wishes. Unless Your Honour has any questions.

MR. GOLDBERG: Could I?

THE COURT: Yes.

MR. GOLDBERG: Sorry, my apologies. I understand mortgaging to some extent. I'm not familiar with all the aspect of receivership but my belief always was, when there's a power of sale that my friend alluded to, there's a notification to the people that are secured behind. We were never served with a power of sale. We've been asking what's going on with the property for the whole period of time while in possession of the receivership. We've never been informed of, you know, any of the process that they've been soliciting all these offers. The only offer....

THE COURT: You were served with the application for receivership.

MR. GOLDBERG: But this receivership, in my limited understanding, was the sale of all assets and I also believe that, that was a regular power of sale then we would be entitled. But that is always why we respectively requested multiple times to redeem the first mortgage, so we wouldn't be jeopardized in this position.

My friend speaks to the question of the costs associated be dealt with later. My belief is, if we are allowed to proceed with the sale then I would like to peg and understand the costs so I'm not jeopardized. If the bank is looking to, you know, get the recovery, and they're entitled to,

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that \$520,000 first mortgage, I am more than happy to ensure that. If they're telling me that I'm not being paid 100 cents on the dollar then I should have the option to protect myself in the form of paying out the people that are secured ahead of me and continuing on with my mortgage as a mortgagee in possession and dealing with the property on a subsequent sale or a rental on my own. But why should I be jeopardized by this receiver taking on the approach that they're selling this property in the best interests, where there is no, you know, visual best interest for me as a creditor? Secured?

THE COURT: Okay. The only last question I have for Ms. Mahar is, do you have any evidence with respect to an offer to redeem?

MS. MAHAR: I was just, that was my one star, Your Honour. I also, as far as evidence of an offer to redeem, I spoke to Mr. Nowina before and he said there was an email where the comment was made after the receivership was commenced in an email, saying that they'd like to understand what the payout statement would look like so that they could redeem and that there was advice given at that time to Mr. Goldberg that a stay would have to be lifted to address the issue. I asked Mr. Goldberg this morning before commencing court whether he already, has ever issued any notice to redeem which is the way you actually redeem a mortgage and he has not. He has advised that he has asked for payout statements. We received correspondence he has counsel. He may not have had counsel at some point

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in time of his own choice but he has counsel now and they did correspond with our office and - on June 16 asking us, counsel for the receiver, for a payout statement. We advised that we represent the receiver but that we'd advised - we'd asked for the amount of the indebtedness owing to - HSBC gave that information and also advised that all the information would be provided in a receiver's report which was served later that day on Mr. Price and Mr. Goldberg. No notice to redeem has ever been delivered to our office, or to - I have representatives obviously of the receiver in the room - nor to the receiver, and nor to HSBC who is actually the party that would be required to receive it and there would be a lift stay and a termination of a receivership that would likely have to happen. Thank you.

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MR. NOWINA: Your Honour, again I can confirm that the emails that we received were in the context of a proposed power of sale proceeding, that Mr. Goldberg indicated he wanted to bring on behalf of Addiction Associates and what we advised him at the time was that there was a receivership stay in place and that it would have to be addressed in that context but to my knowledge we never received a redemption notice and Ms. Mahar confirmed that it was not sent, that's my understanding as well.

MR. GOLDBERG: I would like to speak to that.

THE COURT: Yes.

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MR. GOLDBERG: Forgive me but I had the discussion with my friend here, and where I specifically said I would like to redeem and gave him verbal notice,

29.  
Reasons for Ruling  
Conway J.

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sent him an email. He then advised me that I would have to do it through legal channels. My lawyer has now submitted, I believe, a number of requests for the payout in order to redeem but it keeps being pushed to another lawyer or another party to deal with it. Nobody has yet provided - now, again, my other friend here has said that she had sent out an email last week to my solicitor but he is in Italy for the last week. He's returning I believe in a week and a half but that was never sent to us and again, client privileges, I guess there was no reason to send it to me. I'm now in receipt of it. We would still like to proceed on the redemption and again, I ask for the court to step in and allow that redemption.

THE COURT: Okay. I'm going to recess for about 20 minutes and I will give you my ruling.

R E C E S S

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U P O N R E S U M I N G :

R E A S O N S F O R R U L I N G

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CONWAY, J. Orally:

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THE COURT: The receiver seeks two orders today. The first is approving its first report and activities and permitting it to assign the company into bankruptcy. There is no issue that the company is in default in paying its liabilities as they become due and has committed an act of bankruptcy. I am further satisfied, having

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Reasons for Ruling  
Conway J.

reviewed the record, that it is time for a trustee with broad investigatory and other powers to step in for the benefit of all creditors.

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Mr. Goldberg, as a creditor of the company, the accountant, opposes this order as he has complaints with how the receiver has conducted the receivership so far, although he has not filed any evidence in support and is non-specific in his submissions. Quite frankly, his submission makes no sense. If he is not happy with the receivership as an unsecured creditor, his rights would be that much more protected by having a trustee in place. I am granting the order.

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The second order is to approve the sale of the Vaughan property pursuant to the Mazza agreement. The receiver's record, with respect to negotiating the terms to eliminate a commission, seeking three listing quotes, and avoiding further carrying costs, satisfies me that further marketing of the property is not desirable and that the receiver is unlikely to generate further net sale proceeds for it.

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Mr. Goldberg/Addiction, as a second secured creditor, wishes to redeem the first mortgage and stop the receiver's sale to Mazza. He submits that his position is prejudiced otherwise and, in particular, that he will rank behind the receiver's charges.

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Reasons for Ruling  
Conway J.

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There are several problems with his position. One, Mr. Goldberg did not oppose the receivership appointment. He would, should have, known at that point that his security would fall below receivership charges.

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Two, Mr. Goldberg did not engage the court's process to redeem the first mortgage. He did not seek to lift the stay. He did not formally issue a notice of redemption. He now comes at the 11<sup>th</sup> hour seeking to stop the court-approved process that has been in place since April. This defeats the integrity of that process. See *B.D.C. v. Marlwood Golf*, [2015] ONSC 3909 at paragraphs 26 and 27. For the record, that is a decision newly released of Justice Newbould dealing with precisely this type of situation.

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Three, to the extent that Mr. Goldberg takes issue with the receiver's costs in priority to his secured interest, he will be able to address that issue on a distribution motion. That issue will not preclude approval of the sale if the court is otherwise satisfied with the sale and the manner in which it was conducted, etc.

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I am satisfied that the sale is to be approved and that the *Soundair* principles have been met. I grant the approval and vesting order.

Counsel, if you've got the form of order I will sign it.



32.  
Certification

5 MS. MAHAR: Yes, Your Honour. And there are no changes other than to put Your Honour's name at the top of both orders and the details of the affidavit of service in the second paragraph, and I can hand up two copies of each. I do them that way so that they don't get confused. Registrar, thank you.

THE COURT: Okay, I have signed one copy of each. You can have a copy of my endorsement. Is there anything else this morning?

10 MS. MAHAR: No, thank you very much, Your Honour.

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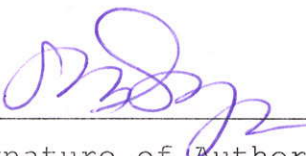
**FORM 2**

**Certificate of Transcript**

*Evidence Act (Subsection 5(2))*

15 I, Shauna MacGregor, certify that this document is a true and accurate transcript of the recording of HSBC Bank v. National Telecommunications in the Superior Court of Justice, held at 330 University Ave., Toronto, ON taken from Recording 4899\_8-  
20 3\_20150630\_084459\_10\_CONWAYBA which was certified in Form 1 by H. Boncza.

25 July 21/15  
(Date)

  
Signature of Authorized Person  
Shauna MacGregor

30 COPIES OF THIS TRANSCRIPT ARE NOT CERTIFIED AND HAVE NOT BEEN PAID FOR UNLESS THEY BEAR THE ORIGINAL SIGNATURE OF SHAUNA MACGREGOR, AND ACCORDINGLY, ARE IN DIRECT VIOLATION OF ONTARIO REGULATION 587/91, ADMINISTRATION OF JUSTICE ACT, JANUARY 1, 1990.

# **Exhibit “B”**

## **Damiani, Stefano (CA - Toronto)**

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**From:** Henry J Goldberg <henry@henrygoldberg.ca>  
**Sent:** Wednesday, April 8, 2015 6:40 PM  
**To:** Casey, Paul (CA - Toronto) Financial Advisory; Damiani, Stefano (CA - Toronto); john\_borch@hsbc.ca; 'Pirie, John J'  
**Cc:** nelson; Nowina, Michael  
**Subject:** offer re 101 innovation Dr Unit  
**Attachments:** 1619\_001.pdf

Henry J. Goldberg, CPA, CA, LPA, CFE

Norman, Goldberg & Co. LLP  
Chartered Professional Accountants  
Licensed Public Accountants  
266 Sheppard Ave West, Toronto, Ontario M2N 1N3  
Tel 416-733-1234 x 25 Fax 416-789-9768  
*email [henry@henrygoldberg.ca](mailto:henry@henrygoldberg.ca)*  
\*\*\*\*\* Attention \*\*\*\*\*

This communication is intended solely for the named addressee(s) and may contain information that is privileged, confidential, protected or otherwise exempt from disclosure. No waiver of confidence, privilege, protection or otherwise is made. If you are not the intended recipient of this communication, please advise us immediately and delete this email without reading, copying or forwarding it to anyone.

# Agreement of Purchase and Sale Commercial

Form 500 for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 8th day of April, 2015

**BUYER**, John Mazza in Trust, agrees to purchase from  
(Full legal names of all Buyers)

**SELLER**, National Telecommunications Inc., the following  
(Full legal names of all Sellers)

**REAL PROPERTY:**

Address 101 Innovation Drive Unit 3  
fronting on the South side of Innovation Drive Unit 3  
in the City of Vaughan  
and having a frontage of \_\_\_\_\_ more or less by a depth of \_\_\_\_\_ more or less  
and legally described as Plan No 1152 Blocks 3 & 5 Plan 65M4044 and Being Irregularly Shaped  
(Legal description of land including easements not described elsewhere) (the "property").

**PURCHASE PRICE:** Seven Hundred Seventy Thousand  
Dollars (CDN\$) 770,000.00


**DEPOSIT:** Buyer submits Upon Acceptance  
(Herewith/Upon Acceptance/as otherwise described in this Agreement)  
Twenty Thousand Dollars (CDN\$) 20,000.00

by negotiable cheque payable to Intercity Realty Inc. "Deposit Holder"  
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion.  
For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the  
Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that,  
unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's  
non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

**Buyer agrees to pay the balance as more particularly set out in Schedule A attached.**

**SCHEDULE(S) A attached hereto form(s) part of this Agreement.**

- IRREVOCABILITY:** This offer shall be irrevocable by Buyer until 8:00 p.m. on  
(Seller/Buyer)  
the 11th day of April, 2015, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.
- COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 30th day of April, 2015. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

**INITIALS OF BUYER(S):** 

**INITIALS OF SELLER(S):** 

3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

Fax No.: (905) 851-8794  
(For delivery of Documents to Seller)

Fax No.: (905) 851-8794  
(For delivery of Documents to Buyer)

Email Address: reception@intercityrealty.com  
(For delivery of Documents to Seller)

Email Address: fgiandomenico@trebnet.com  
(For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:** All Security Systems Including All Equipment and Cameras and Fobs, All Steel Racking in the Warehouse, all permanent fixtures belonging to the Seller deemed free of encumbrances.

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:**

6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:  
 Hot Water Tank (if rental)

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 16th day of April, 2015, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the Property, that its present use ( ) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the Property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O. 1990.
17. **RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;  
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
25. **CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.**
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

28. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

John Mazza in Trust

(Witness)

(Buyer / Authorized Signing Officer)



DATE APR 8, 2015

(Witness)

(Buyer / Authorized Signing Officer)



DATE

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

National Telecommunications Inc.

(Witness)

(Seller / Authorized Signing Officer)



DATE

(Witness)

(Seller / Authorized Signing Officer)



DATE

**SPOUSAL CONSENT:** The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness)

(Spouse)



DATE

**CONFIRMATION OF ACCEPTANCE:** Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at \_\_\_\_\_ a.m./p.m. this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

(Signature of Seller or Buyer)

**INFORMATION ON BROKERAGE(S)**

Listing Brokerage <u>Intercity Realty Inc.</u>	Phone <u>(416) 798-7070</u>	Fax <u>(905) 851-8794</u>	Representative _____
Co-operating/Buyer Brokerage _____	Phone _____	Fax _____	Representative _____

**ACKNOWLEDGEMENT**

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

DATE \_\_\_\_\_  
 (Seller) \_\_\_\_\_  
 DATE \_\_\_\_\_  
 (Seller) \_\_\_\_\_  
 Address for Service 101 Innovation Drive Unit 3  
Vaughan, Ontario Phone \_\_\_\_\_  
 Seller's Lawyer \_\_\_\_\_  
 Address \_\_\_\_\_  
 Email \_\_\_\_\_  
 Phone \_\_\_\_\_ Fax \_\_\_\_\_

DATE \_\_\_\_\_  
 (Buyer) \_\_\_\_\_  
 DATE \_\_\_\_\_  
 (Buyer) \_\_\_\_\_  
 Address for Service \_\_\_\_\_  
 Phone \_\_\_\_\_  
 Buyer's Lawyer \_\_\_\_\_  
 Address \_\_\_\_\_  
 Email \_\_\_\_\_  
 Phone \_\_\_\_\_ Fax \_\_\_\_\_

**FOR OFFICE USE ONLY**

**COMMISSION TRUST AGREEMENT**

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale.  
 In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.

Acknowledged by:

(Authorized to bind the Listing Brokerage)

(Authorized to bind the Co-operating Brokerage)



# Schedule A

## Agreement of Purchase and Sale - Commercial

Form 500A for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

**BUYER,** John Mazza in Trust \_\_\_\_\_, and

**SELLER,** National Telecommunications Inc. \_\_\_\_\_,

for the purchase and sale of 101 Innovation Drive Unit 3 in the City of Vaughan \_\_\_\_\_

Agreement of Purchase and Sale dated April 8, 2015 \_\_\_\_\_

The Buyer agrees to pay the balance of the purchase price subject to adjustments, in cash or by certified cheque to the Seller on closing.

The Seller warrants and represents that there are no work orders or deficiency notices outstanding against the property and if so, such will be complied with, on or before date of closing at Seller's own expense.

This offer is conditional for a period of Three (3) banking days from the date of acceptance, upon the Buyer or his/her agent being able to arrange at the Buyer's expense financing, unless the Buyer gives notice in writing delivered to the Seller or the Seller's agent, that the herein condition has been fulfilled or waived on or before the conditional time allotted herein, this offer shall become null and void and the Buyer's deposit shall be returned to him in full without deductions. This condition is included for the benefit of the Buyer and may be waived at his sole option.

The Buyer shall have the right to assign this Agreement to any person or persons, corporation or corporations as may be designated by the Buyer in its discretion, or to cause title to the subject property to be taken in a name other than the Buyer herein (any party so designated by the Buyer being hereinafter referred to as the "assignee"). Provided that upon the Buyer delivering to the Seller, a written covenant of such assignee to be bound by the provisions of the Agreement, and such assignee shall be deemed to be the party hereinbefore originally named as the Buyer.

The Buyer shall have the right to inspect the property Two (2) further times prior to completion, provided that notice is given to the Seller. The inspection is to be at a mutually agreed upon time within a 24 hour time period following the giving of such notice.

The Buyer agrees to pay the sum of \$20,000.00, to the Listing Brokerage, by negotiable cheque, at the time of notification of fulfilment or removal of the condition to be held in trust pending completion or other termination of this Agreement. This amount is to be credited towards the purchase price on completion of this transaction.

This Offer is conditional upon the approval of the terms hereof by the Buyer's Solicitor. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement to Purchase and Sale or any Schedule thereto not later than 3 Business Days that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of the Buyer and may be waived at the Buyers sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

The Seller hereby agrees to pay a total commission of 2.5% to Fernando Giandomenico at Intercity Realty upon completion of this transaction.

This page must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):



**BUYER:** John Mazza in Trust  
**SELLER:** National Telecommunications Inc.

For the transaction on the property known as: 101 Innovation Drive Unit 3

For the purposes of this Confirmation of Co-operation and Representation, a "Seller" includes a vendor, a landlord, or a prospective, seller, vendor or landlord and a "Buyer" includes a purchaser, a tenant, or a prospective, buyer, purchaser or tenant, a "sale" includes a lease, and an "Agreement of Purchase and Sale" includes an "Agreement to Lease".

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage.

**DECLARATION OF INSURANCE:** The undersigned salesperson/broker representative(s) of the Brokerage hereby declare that he/she is insured as required by the Real Estate and Business Brokers Act, 2002 (REBBA 2002) and Regulations.

### MULTIPLE REPRESENTATION

The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Brokerage has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage.

However, the Listing Brokerage shall not disclose:

- That the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- That the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
- The motivation of or personal information about the Seller or Buyer, unless otherwise instructed in writing by the party to which the information applies, or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- The price the Buyer should offer or the price the Seller should accept;
- And; the Listing Brokerage shall not disclose to the Buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

Additional comments and/or disclosures:

### SIGNED BY BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE

Intercity Realty Inc.  
(Name of Listing Brokerage)  
3600 Langstaff Road, Unit 14, Woodbridge, Ontario L4L  
(416) 798-7070 (905) 851-8794  
(Phone) (Fax)

Date: \_\_\_\_\_  
(Authorized to bind the Listing Brokerage)

\_\_\_\_\_  
(Print Name of Broker/Salesperson Representative of the Brokerage)

  
(Authorized to bind the Listing Brokerage)  
Date: April 8, 2015  
**FERNANDO GIANDOMENICO**, Salesperson  
(Print Name of Broker/Salesperson Representative of the Brokerage)

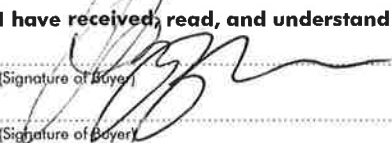
### CONSENT FOR MULTIPLE REPRESENTATION:

The Seller / Buyer consent with their initials to their Brokerage representing more than one client for this transaction.

  
BUYER'S INITIALS

  
SELLER'S INITIALS

### ACKNOWLEDGEMENT

I have received, read, and understand the above information.  
  
(Signature of Buyer) Date: April 8/15  
(Signature of Buyer) Date: \_\_\_\_\_

(Signature of Seller) Date: \_\_\_\_\_  
(Signature of Seller) Date: \_\_\_\_\_

# **Exhibit “C”**

## **Damiani, Stefano (CA - Toronto)**

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**From:** Casey, Paul (CA - Toronto) Financial Advisory  
**Sent:** Thursday, April 16, 2015 12:27 PM  
**To:** henry@henrygoldberg.ca; nelson  
**Cc:** Damiani, Stefano (CA - Toronto); Nowina, Michael; john\_borch@hsbc.ca; Koroneos, Anna (CA - Toronto)  
**Subject:** In the matter of the receivership of National Telecommunications Inc. ("NTI") - Mazza offer re 101 innovation Dr., Unit 3  
**Importance:** High

Mr. Goldberg,

We write to respond to your email of yesterday evening with respect to NTI's office and warehouse property at 101 Innovation Drive, Unit 3, Vaughan (the "Vaughan Property").

As you are aware, on Thursday, April 9, 2015, the Honourable Madam Justice Conway appointed Deloitte as Receiver and Manager (the "Receiver") over all of the assets, undertaking and properties of NTI (the "Receivership Order").

Since our appointment, we have been attending to statutory and urgent receivership matters to preserve and protect the Vaughan Property and other identified and potential receivership assets.

Prior to our appointment as the Receiver, we made numerous requests for information to you as the spokesman for the debtor and Nelson Guyatt, including specific requests for information concerning the Vaughan Property (e.g. survey, prior reports, square footage, etc.). The requested information was not provided after our initial meeting on March 13, and despite numerous follow-up requests. Mr. Guyatt has also made reference to a "Wagner Report" on the value of the Vaughan Property. Such information will be helpful to the Receiver in establishing a current market value for the Property, offering the Property for sale and maximizing recoveries for the benefit of all creditors. If you or Mr. Guyatt have access to any information related to the Vaughan Property, we ask that you provide this forthwith, in accordance with the terms of the Receivership Order.

Specifically with respect to the unsolicited offer from John Mazza dated April 8, 2015 (which expired April 11), the Receiver is still considering the most appropriate and effective solicitation process for the Property. If it determines that a negotiation or counteroffer is appropriate, there will be significant changes required to the form of the offer presented given the court-appointed receivership.

Would you please confirm whether you are also acting as the spokesman for John Mazza. Subject to your response, we will respond to you or Mr. Mazza directly with respect to the process of buying the Vaughan Property through the court-appointed receiver.

We are also now aware that companies incorporated by John Mazza and Fernando Giandomenico are already receiving mail at the Vaughan Property. If you or Mr. Guyatt have information with respect to their relationship and why this occurring, please provide this forthwith, in accordance with the Receivership Order.

With respect to your proposed power of sale, we draw your attention to paragraph 11 of the Receivership Order. Any such step is stayed at this time.

Unrelated to the Vaughan Property, we continue to seek a significant body of information from you to assist with the realization on the inventory, accounts receivable and certain other assets of NTI. We will resend a list of outstanding information via separate email.

We are prepared to have an in-person meeting to discuss these issues.

Regards,

Deloitte Restructuring Inc.,  
solely in its capacity as  
Court-appointed Receiver and Manager  
of National Telecommunications Inc.,  
without personal or corporate liability

Per: Paul M. Casey  
Senior Vice-President

## **Damiani, Stefano (CA - Toronto)**

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**From:** Henry J Goldberg <henry@henrygoldberg.ca>  
**Sent:** Wednesday, April 15, 2015 6:04 PM  
**To:** Casey, Paul (CA - Toronto) Financial Advisory; Damiani, Stefano (CA - Toronto); john\_borch@hsbc.ca; Nowina, Michael; nelson  
**Subject:** FW: offer re 101 innovation Dr Unit  
**Attachments:** 1619\_001.pdf

Good Afternoon All:

I am again forwarding the offer in respect to 101 Innovation Drive.

I am concerned that I have not had any response to dealing with this offer and HSBC and or the receivers are not dealing with this matter in a timely matter which is potentially negatively impacts our security.

From the onset of the meetings with Paul Casey, I have asked that the bank and Deloitte undertake to determine what a reasonable value for the unit might be to determine if the offer should be accepted.

I have gone back and negotiated an increase in the amount offered to provide enough money to recover our security on the loan from Addiction Associates Inc.

I have spoken to Michael Nowina in respect to dealing with the proposed sale of the unit or redeeming the 1st mortgage in order to mitigate costs which may impact the 2nd mortgage holder.

To date I have had no response or communications in respect to this matter.

Please prepare a payout statement immediately so we can either assign or redeem the 1st mortgage.

We have commenced issuing a power of sale and will be dealing with the property either with your co-operation or without.

Please provide a response to our requests.

Henry Goldberg

# **Exhibit “D”**

**National Telecommunications Inc**  
**A/R Aging Summary**  
 As of March 13, 2015

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
adjusting entry	0.00	0.00	0.00	0.00	0.00	0.00
broadconnect.	0.00	0.00	1,158.25	0.00	0.00	1,158.25
connect Cabling	0.00	0.00	0.00	250,355.27	86,429.93	336,785.20
Datacom Solutions Limited	0.00	0.00	0.00	0.00	-248.78	-248.78
Featurecom Inc.	0.00	423.75	0.00	2,182.03	0.00	2,605.78
Glassers TV Service ltd	0.00	0.00	73.50	0.00	0.00	73.50
Gov't of Canada/ GST Refund	0.00	0.00	107,347.48	0.01	0.00	107,347.49
Gusto Brands Inc	0.00	0.00	0.00	0.00	504,248.31	504,248.31
LDM	0.00	0.00	0.00	0.00	601.05	601.05
Motion Technology Solutions	0.00	0.00	0.00	0.00	565.00	565.00
Norvyacom Asset Management Inc	0.00	0.00	0.00	0.00	20.00	20.00
One Restaurant	0.00	0.00	0.00	0.00	1,197.80	1,197.80
Pairo	0.00	0.00	0.00	0.00	2,147.00	2,147.00
Tel e technologies Inc.	0.00	4,068.00	0.00	0.00	0.00	4,068.00
Telinks Inc	0.00	0.00	0.00	0.00	17,204.00	17,204.00
Telogiks	0.00	0.00	0.00	0.00	1,356.00	1,356.00
Unique Fine Fabrics Import Inc	0.00	0.00	0.00	0.00	226.00	226.00
<b>TOTAL</b>	<b>0.00</b>	<b>4,491.75</b>	<b>108,579.23</b>	<b>252,537.31</b>	<b>613,746.31</b>	<b>979,354.60</b>



**NTI US**  
**A/R Aging Summary**  
As of March 13, 2015

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Chris M - Otisco Valley Tel-Com Ltd	0.00	0.00	0.00	0.00	7,140.00	7,140.00
Featurecom Inc.	28,447.75	0.00	1,186.50	36,725.00	2,542.50	68,901.75
mtd	0.00	0.00	0.00	0.00	17.50	17.50
Otisco Valley Tel-Com Ltd	0.00	0.00	0.00	155,287.09	0.00	155,287.09
Panda Ventures Inc.	0.00	318,986.00	307,100.00	300,000.00	0.00	926,086.00
telogiks -	0.00	0.00	0.00	7,500.00	0.00	7,500.00
Telquest International Inc	0.00	0.00	50,087.50	0.00	0.00	50,087.50
viper.	0.00	0.00	0.00	0.00	38,406.90	38,406.90
<b>TOTAL</b>	<b>28,447.75</b>	<b>318,986.00</b>	<b>358,374.00</b>	<b>499,512.09</b>	<b>48,106.90</b>	<b>1,253,426.74</b>

*w/o (discount)*  
*Jul reach recently*  
*1/11 into PD*  
*Bk (Net A/P 70)*

*still paying*

## National Telecommunications Inc

## A/P Aging Summary

As of March 13, 2015

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	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>&gt; 90</u>	<u>TOTAL</u>
1795593 Ontario Inc.	0.00	0.00	0.00	0.00	-2,000.00	-2,000.00
adjustment	0.00	0.00	0.00	0.00	0.00	0.00
Broadconnect Telecom	0.00	313,817.95	0.00	0.00	0.00	313,817.95
Featurecom Inc	75,279.47	0.00	0.00	0.00	0.00	75,279.47
hsbc Bank.	1,931.53	0.00	0.00	0.00	0.00	1,931.53
M & M Industrial Property Inc	0.00	0.00	0.00	0.00	-0.16	-0.16
<b>TOTAL</b>	<b><u>77,211.00</u></b>	<b><u>313,817.95</u></b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>	<b><u>-2,000.16</u></b>	<b><u>389,028.79</u></b>

**NTI US**  
**A/P Aging Summary**  
 As of March 13, 2015

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Certified Communications Solutions Inc	0.00	0.00	0.00	0.00	21,343.00	21,343.00
MTD Consulting Inc	0.00	316,300.00	97,325.00	0.00	0.00	413,625.00
Tortel Communications Inc - US.	0.00	0.00	-209,643.25	475,000.00	-800.00	264,556.75
<b>TOTAL</b>	<b>0.00</b>	<b>316,300.00</b>	<b>-112,318.25</b>	<b>475,000.00</b>	<b>20,543.00</b>	<b>699,524.75</b>

*Quintan  
- Sel -*

*Panda*

*Purchase of  
Equipment ?*

*IP Wholesale Co*

# **Exhibit “E”**

**Summary of Allocated Professional Fees  
For the period from April 9, 2015 to November 30, 2015,  
and Estimated Fees to Completion**

<i>Receiver</i>						
	<b>Period From</b>	<b>Period To</b>	<b>Vaughan Property</b>	<b>Personal Property</b>	<b>General</b>	<b>Total</b>
Invoice # 1	4/9/2015	5/15/2015	\$ 23,681	\$ 44,043	\$ 62,064	\$ 129,788
Invoice # 2	5/16/2015	6/5/2015	7,412	6,025	23,603	37,039
Invoice # 3	6/6/2015	6/26/2015	5,241	10,350	36,860	52,452
Invoice # 4	6/27/2015	7/31/2015	10,364	5,701	16,538	32,603
Invoice # 5	8/1/2015	8/31/2015	315	1,224	18,780	20,318
Invoice # 6	9/1/2015	10/31/2015	-	726	6,537	7,264
Invoice # 7	11/1/2015	11/30/2015	-	1,056	9,504	10,560
Estimated fees to completion	12/1/2015	Completion		1,218	10,959	12,177
Total (before HST)			\$ 47,013	\$ 70,342	\$ 184,845	\$ 302,200
HST			6,112	9,145	24,030	39,286
Total (inclusive of HST)			<b>\$ 53,124</b>	<b>\$ 79,487</b>	<b>\$ 208,875</b>	<b>\$ 341,486</b>

<i>Receiver's Legal Counsel Thornton Grout Finnigan LLP</i>						
	<b>Period From</b>	<b>Period To</b>	<b>Vaughan Property</b>	<b>Personal Property</b>	<b>General</b>	<b>Total</b>
Invoice # 1	4/9/2015	4/30/2015	\$ -	\$ 450	\$ 1,200	\$ 1,650
Invoice # 2	5/1/2015	5/31/2015	3,475	1,425	1,180	6,080
Invoice # 3	6/1/2015	6/30/2015	4,050	4,583	12,947	21,580
Invoice # 4	7/1/2015	7/31/2015	1,323	58	1,580	2,960
Invoice # 5	8/1/2015	8/31/2015	-	3,088	-	3,088
Invoice # 6	9/1/2015	10/31/2015	-	1,368	-	1,368
Invoice # 7	11/1/2015	11/30/2015	-	1,325	-	1,325
Estimated fees to completion	12/1/2015	Completion	-	6,220	-	6,220
Total (before HST)			\$ 8,848	\$ 18,515	\$ 16,908	\$ 44,270
HST			1,150	2,407	2,167	5,724
Total (inclusive of HST)			<b>\$ 9,998</b>	<b>\$ 20,922</b>	<b>\$ 19,075</b>	<b>\$ 49,994</b>

	<b>Vaughan Property</b>	<b>Personal Property</b>	<b>General</b>	<b>Total</b>
Total (before HST)	\$ 55,860	\$ 88,858	\$ 201,753	\$ 346,470
HST	7,262	11,551	26,197	45,010
Total (inclusive of HST)	<b>\$ 63,122</b>	<b>\$ 100,409</b>	<b>\$ 227,950</b>	<b>\$ 391,480</b>

**National Telecommunications Inc.  
 Invoice #1 of the Receiver  
 Allocation of Professional Fees (Excluding Disbursements)  
 For the period April 9, 2015 to May 15, 2015**

Allocation of Time			
Vaughan Property	Personal Property	General	Total
0.0	0.0	2.6	2.6
0.0	0.0	4.0	4.0
0.0	0.0	3.0	3.0
2.4	3.4	3.9	9.7
2.5	6.0	1.5	10.0
0.0	0.0	6.5	6.5
0.0	0.0	1.0	1.0
1.2	3.2	6.5	10.9
0.0	0.4	0.4	0.8

Date	Professional	Description	Hours
4/9/2015	Brown, Rose	Set up Website and attach documents; prepare letters & documentation for open Trust bank account with HSBC Bank Canada ("HSBC" or the "Bank").	2.6
4/9/2015	Casey, Brian	On-site attendance at NTI's premises with respect to electronic data search and collection.	4.0
4/9/2015	Casey, Paul	Attend at the Ontario Superior Court of the "Court" for Appointment Order; telephone discussions with S. Damiani and A. Koroneos; various emails including reporting email to HSBC.	3.0
4/9/2015	Damiani, Stefano	On-site attendance to take possession and control of NTI; meeting with Nelson Guyatt; inventory count with N. Guyatt; instructions to locksmith; discussions with Deloitte Forensics regarding electronic records; telephone and email correspondence with NTI's insurance broker; review Appointment Order; telephone and email correspondence with Honda Finance regarding two leased vehicles; reporting email to HSBC and Baker & McKenzie LLP; review corporate search report; review amended Agreement of Purchase and Sale ("APS") for building; discussions with A. Koroneos; instructions to R. Brown and C. Faria.	9.7
4/9/2015	Koroneos, Anna	Prepare for and attend at premises; attend to receivership administration and statutory requirements, including accounts receivable ("AR") letters; accounts payable ("AP") schedule etc; with N. Guyatt; discussion with Deloitte Forensics to download hard drives, etc.	10.0
4/9/2015	Ngai, Bosco Jun	Data collection: evidence management; data preparation.	6.5
4/9/2015	Yick, Roger	Data collection with respect to NTI's computers.	1.0
4/10/2015	Koroneos, Anna	Discussion with P. Stern of Stern Landisman Clark LLP ("SLC") for his review; work on cheque schedule enter - TD USD through December 2013; arrange for Canada Revenue Agency ("CRA") audit; discussion with Sunlife Insurance ("Sunlife") on the life insurance policy and possible cash surrender; discussion with D. Emmink of Dar-Les, the Company's bookkeeper, regarding outstanding HST return and attend on site; several emails regarding same; discussion with Euler Hermes via telephone and email correspondence regarding the status of the AR insurance; discussion with P. Casey regarding status; discussion with C. Faria regarding AR letter to be mailed out and update schedule with contacts and phone numbers from N. Guyatt; discussion with Power Stream on new account for Receiver; discussion with Bell Canada regarding received email for phone; telephone discussion with J. Borch regarding status of site visit.	10.9
4/10/2015	Damiani, Stefano	Review correspondence and updated listing from P. Stern of SLC; discussion with A. Koroneos; email to P. Stern regarding 2188257 and Featurecom.	0.8

				Allocation of Time		
	Vaughan Property	Personal Property	General	Total		
	0.0	0.0	1.6	1.6		
	0.0	0.0	0.5	0.5		
	0.0	0.0	0.8	0.8		
	1.3	0.9	6.6	8.8		
	0.0	0.0	1.5	1.5		
	0.0	0.0	1.4	1.4		
	0.0	0.0	0.6	0.6		
	0.0	0.0	1.5	1.5		
	0.0	0.0	1.0	1.0		
	2.3	0.8	4.6	7.6		

Date	Professional	Description	Hours
4/10/2015	Brown, Rose	Update receivership website; several telephone discussions and email correspondence with HSBC regarding the status of account opening.	1.6
4/10/2015	Casey, Brian	Evidence management with respect to NTI's electronic records.	0.5
4/10/2015	Casey, Paul	Telephone discussions with S. Damiani and A. Koroneos regarding status; discussion with J. Borch of HSBC; email correspondence.	0.8
4/10/2015	Damiani, Stefano	On-site attendance at the offices of NTI; telephone discussion with liquidator; confirmation email from Honda Finance; telephone discussion with N. Guyatt; email correspondence with B. Casey of Deloitte Forensics; telephone discussion with P. Casey; instructions to R. Brown and C. Faria; review books and records; meeting with representative of N. Guyatt to obtain NTI's mail key; review amended certificate of insurance and policy; email correspondence with broker; email correspondence with Marsh Insurance regarding same; email correspondence to J. Borch of HSBC; meeting with party; commence the Notice and Statement of the Receiver.	8.8
4/10/2015	Ngai, Bosco Jun	Evidence management; data preparation.	1.5
4/12/2015	Koroneos, Anna	Work on bank schedule; enter TD Bank accounts; review cheques.	1.4
4/13/2015	Damiani, Stefano	Emails regarding USD cheques; discussion with A. Koroneos regarding transaction schedule.	0.6
4/13/2015	Brown, Rose	Trust account administration.	1.5
4/13/2015	Casey, Paul	Email correspondence, meetings with team; review statutory Notice and Statement of Receiver.	1.0
4/13/2015	Damiani, Stefano	Review email correspondence with N. Guyatt regarding real property deposit details, and discussion with A. Koroneos regarding supporting documentation on same; email correspondence with NTI's insurance broker; emails with A. Koroneos regarding real property estimates; review email from J. Borch and the updated schedule of NTI's indebtedness to HSBC; amend Notice and Statement of Receiver, and submit to P. Casey; creditors' listing; review letter to Sheldon J. Skrzyzlo Law Office; review general ledger; comments to A. Koroneos regarding additional letters; review demand letter to Connect Cabling; review and amend real estate analysis, and submit draft to P. Casey.	7.6

Allocation of Time				
Vaughan Property	Personal Property	General	Total	
2.6	4.3	1.7	8.5	
0.0	0.0	0.5	0.5	
2.3	3.9	1.8	8.0	
0.0	0.0	3.0	3.0	

Date	Professional	Description	Hours
4/13/2015	Koroneos, Anna	Discussion with CRA regarding HST audit, discussion with several customers (e.g. Panda Ventures, DataCom, and Pairo) regarding the collection letters and outstanding balances; review and respond to emails regarding same; letter to Sheldon Skryzlo regarding trust deposit for property; draft demand letter to Connect Cabling; discussion with R. Brown regarding 245/246 Notice and Report of Receiver, add supplementary list and review accounts for finalization; discussion with S. Damiani regarding various matters; review information received from N. Guyatt and discuss with HSBC to obtain copy of trust cheque; discussion with liquidator regarding inventory and schedule an appointment to view same; discussion with realtors on preliminary estimated value; prepare summary schedule of proposed values and APS received; sign off on AR letters and send via mail or courier; further review of realtor; discussion with S. Damiani regarding Connect Cabling collection letter.	8.5
4/13/2015	Ngai, Bosco Jun	Data collection.	0.5
4/14/2015	Damiani, Stefano	Correspondence with C. Faria regarding interim account package; on-site attendance at NTI's premises; meeting with third party appraiser regarding inventory; email correspondence with P. Casey regarding real property; email correspondence with P. Casey regarding Notice and Statement of Receiver; amend and format inventory listing, email to appraiser; discussions with A. Koroneos; review email correspondence to N. Guyatt regarding missing bank statements; receivership and banking administration matters with R. Brown; review mail and corporate profile reports; amend real estate analysis; attend at Connect Cabling to deliver demand letter, and email correspondence to P. Casey regarding same; review general ledger reports; email to HSBC with respect to real estate analysis; voicemail to NTI's Insurance Broker regarding allocation of invoice by property; email correspondence to N. Guyatt regarding Connect Cabling; review email correspondence regarding Panda Ventures; update regarding request for CRA audit; follow up email correspondence to Honda Finance; email correspondence with M. Nowina of Baker & McKenzie.	8.0
4/14/2015	Brown, Rose	Estate Administration - photocopy Notice and Statement of the Receiver, and fax to the Office of the Superintendent of Bankruptcy ("OSB") to register Receivership, prepare labels and envelopes; prepare re-direction of mail and take to Canada Post.	3.0



Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
4/14/2015	Koroneos, Anna	Discussion with S. Damiani regarding General Ledger and demand letters; draft demands to 2188257 and 2334270 Ontario Inc.; attend at Connect Cabling to deliver demand letter; telephone discussion with Sheldon Skyzlo regarding trust funds; discussion with CRA on initiating trust and HST audit; discussion with S. Geraci of Featurecom regarding receivable and payable by NTI; telephone discussion with representative of LDM regarding payment made on March 12, 2015 for outstanding account and request support for same, locate on banking summary; discussion with M. Nowina; discussion with C. Millar of Otisco Valley regarding partial payment coming and balance; discussion with S. Damiani regarding mail received; email correspondence to J. Borch of HSBC regarding mail received for other entities and connection to potential purchaser; discussion with representative of Broadconnect regarding receivable; discussions with liquidators; work on AR schedule.	9.0	0.0	8.1	0.9	9.0
4/15/2015	Damiani, Stefano	Review interim account package, prepare time and fee analysis, instructions to C. Faria regarding same; on-site attendance at NTI's premises; review demand letters regarding loans; meeting with second auctioneer with respect to inventory and fixed assets; telephone discussion with J. Boem of Supreme Insurance Brokers discussions with A. Koroneos; correspondence regarding funds deposited by NTI to its real estate counsel; email correspondence with Honda Collections and its Bailiff; email correspondence to P. Casey; review letters from A. Quinto of Connect Cabling; correspondence with Baker McKenzie regarding same; review email from H. Goldberg of Norman, Goldberg & Co. LLP, NTI's external accountant regarding real property, and draft response regarding same; review A/R schedule, email correspondence to A. Koroneos regarding same.	5.8	1.5	2.9	1.5	5.8
4/15/2015	Koroneos, Anna	Finalize letters to 2188 and 233 to N. Guyatt and Anthony Quinto attendance on-site to meet with liquidator, review mail and discussion with Sheldon Skyzlo on trust funds; resend documents to S. Skyzlo and discussion with N. Guyatt; discussion with S. Damiani regarding outstanding matters; discussion with Greg Woo of Telogiks regarding AR and his offset order with wrong power supply; telephone message and discussion with David of Adessa regarding the Honda Crosstour pick up and request authorization from Honda to discuss; discussion with Lydia, Insolvency Officer assigned to NTI regarding trust audit, books and records.	7.5	0.0	5.3	2.3	7.5
4/16/2015	Casey, Paul	Meeting with A. Koroneos regarding various receivership matters attendance on a conference call with HSBC and counsel; telephone discussion with J. Borch of HSBC; discussion with G. Moffat of Thornton Grouit Finnigan ("TGF"); draft response to Henry Goldberg of Norman, Goldberg LLP, the Company's external accountant.	2.5	0.0	0.0	2.5	2.5

Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
4/16/2015	Damiani, Stefano	Emails with R. Penstone of HSBC and A. Koroneos regarding deposit information; review accounts receivable schedule, email to A. Koroneos regarding same; review email correspondence from HSBC and Baker & McKenzie regarding real property; review amended draft from Baker & McKenzie regarding property; attendance on a conference call with HSBC and Baker & McKenzie; review follow up email correspondence to A. Quinto of Connect Cabling; prepare insurance analysis, email correspondence to N. Guyatt regarding demand for repayment for 4370 Steeles Avenue portion; review P. Casey's email to H. Goldberg regarding real property; review correspondence with First Residential Property Manager.	2.5	0.6	0.8	2.5	
4/16/2015	Casey, Brian	Status update on data collection.	0.5	0.0	0.5	0.5	
4/16/2015	Koroneos, Anna	AR collections including discussions and follow up email correspondence to several parties; discussion with Sheldon Skryzlo on Trust funds via email and respond; follow-up email correspondence to Featurecom, Panda and Telogiks; review and summarize responses; receipt of cheque from TD Bank; email correspondence to Otisco summarizing payment discussion; review of 28 Eastern Avenue to locate Episolar for collection; request courier confirmations of letters dispatched; discussion with Brian Casey regarding back up and forward details for approval; forward letters sent to Connect Cabling to team; prepare and send letters to Connect Cabling in response to his faxed letters; attendance on a conference call with Baker & MacKenzie and HSBC regarding status and real estate; review of response to H. Goldberg regarding his email correspondence to the Receiver; draft estimated realizable value; discussion with Carol at First Residential Property Manager and draft and forward letter and The Court Order.	7.0	4.2	1.8	7.0	
4/17/2015	Casey, Paul	Meeting with A. Koroneos regarding Report to Bank and other receivership matters.	0.5	0.0	0.5	0.5	
4/17/2015	Casey, Brian	Meeting with respect to data collection.	1.0	0.0	1.0	1.0	
4/17/2015	Damiani, Stefano	Draft schedule of estimated realizations, email correspondence with A. Koroneos regarding same; review reporting email.	1.3	0.0	1.3	1.3	
4/17/2015	Koroneos, Anna	Discussion with P. Casey regarding status; discussion with S. Damiani regarding status and review of report; prepare report and appendices including AR summary update; review with P. Casey and send with AR customers; discussion with customer regarding invoice and payment; update to AR schedule.	7.5	6.0	1.5	7.5	
4/20/2015	Brown, Rose	Estate Administration - update creditor in Ascend and send out three creditor packages.	0.4	0.0	0.4	0.4	

Allocation of Time			
Vaughan Property	Personal Property	General	Total
0.5	2.7	2.2	5.4
0.0	3.8	1.3	5.0
0.0	0.0	1.0	1.0
0.0	0.0	1.0	1.0
0.0	0.0	1.0	1.0
0.4	1.3	1.1	2.8
0.1	6.6	0.3	7.0
0.0	0.0	0.5	0.5
0.0	0.0	0.4	0.4

Date	Professional	Description	Hours
4/20/2015	Damiani, Stefano	On-site attendance at NTI's premises; review correspondence to customers (Otisco Valley, Panda Ventures, Featurecom, Viper); review email correspondence to S. Skryzlo regarding trust funds; review email from M. Nowina; review emails from N. Guyatt regarding insurance, and send email to Connect Cabling demanding repayment regarding coverage for Unit 28 - 4370 Steeles West; telephone and email correspondence with Marsh Insurance; follow up correspondence with auctioneer; follow up email correspondence to Honda Finance; discussions with A. Koroneos; review inventory listing.	5.4
4/20/2015	Koroneos, Anna	Attend at NTI's premises; review of mail correspondence; A/R update and email correspondence; second contact made with summary of prior discussions to be confirmed; discussion with S. Damiani regarding several matters including Marsh contact and review and leased vehicle pick up; detailed review of inventory cost and comparative with invoicing and updates to schedule; review of response from E. Bisceglia regarding his client Gusto Brands Inc. and forward same; correspondence with liquidator.	5.0
4/20/2015	Ngai, Bosco Jun	Analysis of NTI's electronic data.	1.0
4/21/2015	Brown, Rose	Trust Banking Administration - Deposit.	1.0
4/21/2015	Casey, Paul	Meeting with S. Damiani regarding status of various receivership matters and instructions.	1.0
4/21/2015	Damiani, Stefano	Email correspondence with Baker & McKenzie regarding Gusto documentation; email regarding deposit; review proposals from auctioneers, and draft email to P. Casey regarding same; emails with Honda Finance and Bailiff; emails to A. Quinto of Connect Cabling regarding real property insurance, review response; review email from Marsh; email to J. Boem of Supreme Insurance Brokers; review letter from A. Quinto regarding demand letter to 2334270 Ontario.	2.8
4/21/2015	Koroneos, Anna	Discussion with Telequest International regarding AR and forward same; discussion with Angie of Telequest to confirm receipt and pending response; receipt of cheque from Otisco and with Rose to deposit same; discussion regarding issues depositing NTI cheque; review of message from F. Giandomenico and forward same; review of response from A. Quinto on insurance and discuss same; review of fax from Bisceglia and respond via email; discussion with S. Damiani on and M. Nowina on Gusto executed promissory note; search Gusto entities to find details per Bisceglia letter.	7.0
4/21/2015	Ngai, Bosco Jun	Analysis of NTI's electronic data.	0.5
4/22/2015	Casey, Paul	Briefing G. Moffat of TGF and meeting with S. Damiani.	0.4

Allocation of Time			
Vaughan Property	Personal Property	General	Total
1.3	2.4	0.7	4.4
1.6	4.9	0.0	6.5
0.0	0.0	0.4	0.4
0.8	1.8	4.3	6.9

Date	Professional	Description	Hours
4/22/2015	Damiani, Stefano	Update inventory listing, and detailed email to N. Guyatt regarding same; telephone discussion with N. Guyatt regarding inventory, real estate, A/R, demand letters, Gusto, and NTI emails; review follow up emails to N. Guyatt regarding A/R and other amounts receivable; telephone discussion with First Service Residential regarding outstanding common area fees regarding 101 Innovation Drive; conference call with F. Giandomenico on behalf of a party interested in 101 Innovation Drive, and A. Koroneos; email to F. Giandomenico regarding offer; telephone discussion with auctioneer; correspondence with A. Koroneos; draft reporting email to HSBC regarding inventory, submit to P. Casey; review N. Guyatt comments regarding A/R issues; review email regarding Gusto; emails to A. Koroneos regarding listing proposals, email log.	4.4
4/22/2015	Koroneos, Anna	Discussion with B. Casey regarding email review to support AR and forward discussion details. review of details for Gusto AR and email to E. Bisceglia regarding receipt of our correspondence and address; discussion with F. Giandomenico on 101 Innovation and email regarding same; discussion with S. Damiani and F. Giandomenico regarding 101 Innovation sale and new APS required; review of records on Gusto relationship and companies; bankruptcy search for AR; prepare AR schedule for N. Guyatt to review on customers claiming already paid for, forward to N. Guyatt and review his response, confirm by email our understanding nothing owed; email correspondence regarding status update and items that require immediate attention regarding formal listing proposals; discussion with S. Damiani regarding several matters, AR, 101 Innovation and inventory.	6.5
4/23/2015	Casey, Paul	Review draft email to client; discussion with S. Damiani.	0.4
4/23/2015	Koroneos, Anna	Work on cheque schedule, additions reconciliation and review of each cheque individually; attend to AR matters and update to schedule including discussion with customer and forward invoice; discussion with S. Geraci at Featurecom regarding outstanding supporting documentation; discussion with S. Damiani regarding inventory and realtors; schedule meetings for realtors to attend for formal listing proposals, review of emails regarding retrieval from back up of hard drive; discussion with N. Guyatt regarding several issues; email correspondence regarding outstanding AR for his other entities; review of Statement of Affairs ("SOA") for Vincent Leli etc.	6.9

Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
4/23/2015	Damiani, Stefano	Review email from P. Stern of SLC regarding email address, and put questions to Deloitte Forensics; review email correspondence from N. Guyatt regarding CRA audit, NTI email correspondence, and demand letters to 2334170 and 2188257; email correspondence with Deloitte Forensics regarding NTI emails; details for 101 Innovation Drive, Unit 3; review Appointment Order; email and telephone correspondence with G. Moffat of TGF; follow up email to Supreme Insurance Brokers; email from Skryzlo regarding trust funds matter; review letters from Connect Cabling; email correspondence from S. Geraci of Featurecom; review inventory details provided by N. Guyatt, additional email correspondence, amend listing.	4.1	0.4	1.0	2.7	4.1
4/23/2015	Casey, Brian	Review and download of email.	1.0	0.0	0.0	1.0	1.0
4/23/2015	Ngai, Bosco Jun	Analysis of electronic data.	3.0	0.0	0.0	3.0	3.0
4/24/2015	Casey, Paul	Meetings with A. Koroneos and S. Damiani regarding response to account debtors; inventory sale process; discuss status of email review.	1.0	0.0	0.7	0.4	1.0
4/24/2015	Damiani, Stefano	Review correspondence from P. Stern and A. Koroneos with respect to N. Guyatt's emails; correspondence with Deloitte Forensics about recovered N. Guyatt's emails; email correspondence with N. Guyatt regarding inventory unit pricing; review demand letter to Connect Cabling; review responses by N. Guyatt regarding A/R matters; amend inventory schedule, and prepare Request for Offer package; telephone and email correspondence with G. Moffat; discussion with P. Casey; review letter from S. Skryzlo regarding NTI trust funds, and correspondence from A. Koroneos regarding same; email correspondence with Baker & McKenzie; email correspondence to potential interested parties regarding request for offers for inventory.	5.0	0.0	3.4	1.6	5.0
4/24/2015	Brown, Rose	Disbursement cheque.	0.2	0.0	0.0	0.2	0.2
4/24/2015	Casey, Brian	Review findings of various requests.	0.5	0.0	0.0	0.5	0.5
4/24/2015	Koroneos, Anna	Innovation; discussion with realtors regarding appointments; discussions with S. Damiani regarding inventory and other matters; letter to Connect Cabling regarding AR and warranties; discussion with G. Moffat on draft and finalize same; review of P. Stern of SLC email and discussion regarding email correspondence with Deloitte Forensics; review of retrieved emails and discussion with P. Casey regarding same; email correspondence to Viper regarding second notice; review of redirected mail; review of inventory sale listing and reconcile with emails received from customers; draft summary of Leli letter; draft email on retrieved emails; update summary of AR; prepare draft Second and final letters; review of cheques received from A. Quinto to support the trust declaration; review of letter from S. Skryzlo on trust funds from NTI and forward to Baker & McKenzie to review same; telephone discussion with M. Nowina to discuss various issues including the Skryzlo letter and forward corporate search, summary of payments and bill for 31 and 29 Henson paid by NTI.	7.6	0.8	6.1	0.8	7.6
4/24/2015	Ngai, Bosco Jun	Analysis of electronic data.	1.0	0.0	0.0	1.0	1.0

Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
4/27/2015	Casey, Paul	Review, comment and issue reporting email; set up meeting with HSBC and counsel; multiple meetings with A. Koroneos and S. Damiani; telephone discussion with Chuck Perry of HSBC.	1.5	0.0	0.0	1.5	1.5
4/27/2015	Damiani, Stefano	Review email from F. Giandomenico of Intercity Realty and the revised offer for 101 Innovation Drive - Unit 3; email correspondence with HSBC and Baker McKenzie regarding the Hanson property and trust funds paid by NTI; draft reporting email to HSBC and submit to P. Casey; voicemail to N. Guyatt regarding CRA audit; prepare inventory tracking schedule for request for offers; review letter to Connect Cabling; telephone discussions with two parties interested in inspecting the inventory; email from Deloitte Forensics regarding email; email correspondence with P. Stern of SLC and A. Koroneos; review draft letters regarding data; attend call with C. Perry of HSBC and Deloitte regarding Leli and police investigation; review email by A. Koroneos regarding Goldhar discussion; review email from J. Borch of HSBC.	6.4	1.0	4.5	6.4	6.4
4/27/2015	Koroneos, Anna	Work on bank summary, review USD cheques, update schedule; review of invoices from Featurecom and discussion with S. Geraci regarding same; prepare and send email to P. Stern regarding email retrieval and review of response; draft and final letter to Blacksun internet provider and N. Guyatt regarding same; discussion with S. Damiani; review of letter for Connect Cabling from G. Moffat of TGF and forward to A. Quinto; printing of relevant emails; discussion with B. Casey regarding mails and process used to locate same; discussion with Telinks Canada Limited confirming payment; review of Leli search on home and review of Statement of Affairs; email to Richard Goldar and Associates to obtain minutes of meeting and subsequent discussion with R. Goldhar re: Leli bankruptcy and police investigation; discussion with P. Casey, and call to C. Perry of HSBC; draft and send email summary; review of prospective purchaser's offer with S. Damiani.	9.0	1.1	6.9	9.0	9.0
4/28/2015	Damiani, Stefano	On-site attendance at the premises of NTI; meeting with CRA auditor; emails and on-site meetings with parties to facilitate inspection of the inventory; meetings with real estate brokers; email from M. Nowina of Baker & McKenzie; follow up email to N. Guyatt regarding 101 Innovation Drive; review direction and authorization letter to N. Guyatt regarding trust funds matter; emails with N. Guyatt regarding CRA matters; email correspondence to N. Guyatt regarding to inventory query.	4.6	1.6	1.4	4.6	4.6

Allocation of Time				
Vaughan Property	Personal Property	General	Total	
0.7	1.4	5.1	7.1	
0.0	0.0	3.5	3.5	
0.0	1.0	2.9	3.8	
0.5	1.1	4.7	6.2	
0.3	0.0	0.3	0.6	
2.3	0.0	1.0	3.3	

Date	Professional	Description	Hours
4/28/2015	Koroneos, Anna	Work on banking schedule and complete US and CAD for all years; review of each cheque for other banking details; work on TD USD banking information and include in banking summary; attend at site; meet with CRA auditor, Danny Mantelos and review of audit; discussion with realtors regarding selling premises and viewing same; work on AR schedule; telephone discussion with Viper; request to N. Guyatt; telephone discussion with M. Nowina and prepare and send direction to N. Guyatt; review of email listing proposal from realtor; retrieve HST scanned and save for audit; retrieved TD USD accounts and begin work on bank summary to include same.	7.1
4/29/2015	Casey, Paul	Preparation meeting with A. Koroneos and S. Damiani; attend meeting with Bank and counsel to discuss receivership matters.	3.5
4/29/2015	Damiani, Stefano	Email and telephone correspondence with parties seeking information on NTL's inventory; emails from N. Guyatt regarding inventory; review email to N. Guyatt regarding payments to 1219172 Ontario Inc.; review bank transaction analysis, prepare summary schedules; review summary prepared by SLC; prepare and attend meeting with HSBC and legal counsel	3.8
4/29/2015	Koroneos, Anna	Continue work on banking summary; discussion with Blacksun, resend and discuss obtaining compliance confirmation; print significant emails for meeting; email to AR customers and summarize list for final letters; draft same; pre-meeting with P. Casey and S. Damiani regarding various asset realizations; discussion with SLC and HSBC regarding status update and next steps; review of balance sheets in Goldberg materials; discussion with N. Guyatt on 1219172 support for commissions; discussion with S. Damiani regarding outstanding issues and bank schedule; review of schedule provided by P. Stern; review of listing proposal from Remax and discussion with S. Damiani regarding same; pull title on N. Guyatt's home for review; PPSA search regarding N. Guyatt for other registrations.	6.2
4/30/2015	Casey, Paul	Instructions to S. Damiani and A. Koroneos regarding follow-up from meeting; email correspondence to J. Borch; meeting with S. Damiani regarding listing proposals and recommendation to bank; emails regarding Blacksun email investigation.	0.6
4/30/2015	Damiani, Stefano	Review listing proposals; prepare analysis with respect to the sale of 101 Innovation Drive, and submit reporting email to P. Casey; review proof of claim regarding Leli bankruptcy; review email from Goldhar, Leli's trustee; draft action plan, correspondence with counsel regarding same; telephone discussion with P. Stern and J. Clark of SLC; email to HSBC; review correspondence regarding Episolar; review email from Blacksun regarding data; review letter to N. Guyatt regarding data; emails to real estate brokers; email to J. Borch of HSBC regarding 101 Innovation Drive.	3.3

Allocation of Time				
Vaughan Property	Personal Property	General	Total	
0.0	1.0	2.7	3.7	
0.3	0.0	0.3	0.5	
1.7	0.8	1.7	4.2	
0.7	1.8	2.0	4.5	
0.0	0.0	0.3	0.3	
2.9	0.4	0.6	3.9	

Date	Professional	Description	Hours
4/30/2015	Koroneos, Anna	Prepare and send Proof of Claim in the Leli administration; draft to do list and forward to S. Damiani for additions; continue work on AR letters; realtor review and discussion with Blacksun regarding emails; finalize letter to N. Guyatt regarding emails and forward same; locate and summarize Episolar documents; discussion regarding Sunlife and discussions with Sunlife regarding Personal policy.	3.7
5/1/2015	Casey, Paul	Emails regarding Bressi and Blacksun; discussion with A. Koroneos; meeting S. Damiani regarding counter offer to prospective purchaser; instructions regarding condo fee arrears.	0.5
5/1/2015	Damiani, Stefano	Email correspondence with real estate brokers; follow up email to J. Boem of Supreme Insurance Brokers; review offer and prepare counteroffer for 101 Innovation Drive; review CRA's Examiner's Statement of Account, draft email to N. Guyatt and his external accountants; review email from R. Penstone of HSBC; follow up email to potential purchasers regarding the Receiver's Request for Offers for inventory; review AVR demand letters; telephone discussion with G. Moffat of TGF regarding counteroffer for 101 Innovation Drive; emails from Viper Communications; meeting with P. Casey; review email from P. Stern; review APS regarding Hansen property; review reporting email by A. Koroneos on party previously listed as having an amount owing to NTI; correspondence with Goldhar.	4.2
5/1/2015	Koroneos, Anna	Work on King Home investigation; finalize and send all the Second Demand Letters to AR customers; discussions with Telelinks; discussion with Viper on several emails; review of letter from Connect Cabling regarding return or reduction in cost; discussion with Goldhar regarding minutes and return email regarding call; discussion with P. Casey on MTD; review of emails from Rick P of HSBC and P. Stern; telephone discussion with M. Nowina and review of his email to all; discussion with S. Damiani regarding APS from prospective purchaser and amendments; email summary on King Home and email correspondence; ongoing receivership administration.	4.5
5/4/2015	Brown, Rose	Trust Banking Administration - Deposit.	0.3
5/4/2015	Damiani, Stefano	Review minutes of the First Meeting of Creditors of V. Leli's bankruptcy; review the Trustee's Preliminary Report on the administration of the Leli bankruptcy; emails with HSBC regarding OSB Investigation Unit, Leli Bankruptcy; discussions with A. Koroneos; emails with party interested in the inventory; attend conference call with R. Goldhar and H. Manis regarding the Leli bankruptcy; Elston Richardson; emails to R. Goldhar and HSBC regarding contact information for police officers; draft demand letter to Featurecom; review draft agreement of purchase and sale regarding 101 Innovation Drive, Approval and Vesting Order, and other Schedules; email and telephone correspondence with G. Moffat of TGF regarding 101 Innovation Drive; telephone discussion with A. English of Torikin Manes LLP regarding 101 Innovation Drive; review amendments to APS by Torikin Manes.	3.9



Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
5/4/2015	Koroneos, Anna	Review of Preliminary report on Leli bankruptcy; review of minutes; telephone attendance with Howard Manis and Richard Goldhar, trustee and legal counsel regarding Leli; extensive discussion on status and Elston Richardson funding and receipt of funds; discussion regarding police investigation and OSB; review of details regarding MTD Consultants and forward email regarding same; preparation for call with R. Goldhar; discussion with S. Damiani regarding Connect Cabling response to amounts owing and discount suggestion; discussion with P. Casey regarding Leli assets; discussion with S. Damiani on the APS for 101 Innovation Drive; discussion with S. Damiani regarding arranging for attendance on site to sell the inventory.	4.5	0.5	2.0	2.0	4.5
5/5/2015	Brown, Rose	Trust Banking Administration - Deposit.	0.3	0.0	0.0	0.3	0.3
5/5/2015	Casey, Paul	Review various emails; draft correspondence regarding sale of Innovation Drive and counter offer; accounts receivable collections; meetings A. Koroneos and S. Damiani regarding other receivership activities.	2.0	0.8	0.4	0.8	2.0
5/5/2015	Damiani, Stefano	Review correspondence with respect to A/R collections; review notes from call with Leli trustee, emails on same; telephone and email correspondence with parties interested in the inventory; meeting with P. Casey; review email by N. Guyatt; amend demand letter to Futurecom, submit to counsel for comments; telephone and voicemail correspondence with G. Moffat of TGF; email to A. Koroneos regarding follow up questions for Goldhar; emails with real estate broker; review further amended draft APS re 101 Innovation Drive by Torkin Manes; voicemail from party interested in 101 Innovation Drive; emails N. Guyatt regarding inventory matters; email counteroffer to party interested in 101 Innovation Drive.	3.8	2.9	0.4	0.6	3.8
5/5/2015	Koroneos, Anna	Email from N. Guyatt in response to our letter regarding emails preservation; forward to P. Casey; review response from P. Casey; email to HSBC regarding accounts receivable update and two payments received; review response from P. Casey and J. Borch; email to Otisco on payment; prepare email on notes from R. Goldhar and H. Manis call and forward to P. Casey; review of P. Casey's response and respond to same; review of letter from Connect Cabling and discussion on approach to discount requested; further discussion on information received from Manis/Goldhar.	5.0	0.0	2.5	2.5	5.0
5/6/2015	Casey, Paul	Emails S. Damiani regarding inventory and real estate; discussion with A. Koroneos regarding reporting.	0.2	0.1	0.1	0.1	0.2
5/6/2015	Damiani, Stefano	On-site attendance at the premises of NI; meeting and correspondence with prospective purchaser of inventory; email and telephone correspondence with another prospective purchaser regarding inventory; telephone discussion with J. DeMatteis, counsel to a prospective purchaser of 101 Innovation Drive; commence review of inventory offers, submit summary email to P. Casey with preliminary comments; review email regarding A/R cheques.	3.1	0.3	2.8	0.0	3.1
5/6/2015	Koroneos, Anna	Review of emails; discussion with S. Damiani on his attendance.	1.0	0.0	0.0	1.0	1.0

Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
5/7/2015	Casey, Paul	Miscellaneous emails; discussion with S. Damiani.	0.3	0.0	0.0	0.3	0.3
5/7/2015	Damiani, Stefano	Telephone discussion and email to customer regarding A/R; analysis of inventory offers; prepare draft outline for Report to Court, submit to P. Casey; telephone and email correspondence with G. Moffat of TGF; review email correspondence with P. Stern of SLC.	2.6	1.3	1.3	2.6	2.6
5/7/2015	Koroneos, Anna	Discussion with C. Faria payment of vendor invoice; review of email from P. Stern; discussion with P. Casey on status; draft and amend for letter to N. Guyatt on emails.	4.0	0.0	4.0	4.0	4.0
5/8/2015	Casey, Paul	Discussions S. Damiani and A. Koroneos regarding various; review and execute APS for Innovation Drive; email review.	0.5	0.0	0.1	0.5	0.5
5/8/2015	Damiani, Stefano	Review email and amended APS regarding 101 Innovation Drive from the prospective purchaser's legal counsel; email correspondence with HSBC regarding offers for 101 Innovation Drive and inventory; email to TGF and Torkin Manes regarding APS for 101 Innovation Drive; review emails by A. Koroneos regarding A/R collections; review and amend Bill of Sale regarding inventory; email and telephone correspondence prospective purchaser regarding same; review email regarding insurance policy; review correspondence regarding servers; review comments from counsel regarding amended APS for 101 Innovation Drive, and correspondence with A. English of Torkin Manes on same; review reporting email, submit to P. Casey; email to J. De Matteis, counsel to the prospective purchaser re 101 Innovation Drive.	4.0	1.0	0.0	4.0	4.0
5/8/2015	Koroneos, Anna	Review of redirected mail; review of letter from CRA and forward to N. Guyatt and Darlene for response to the form and to provide dates for the audit; discussion with Motion Technologies on AR and forward invoice; discussion with S. Damiani on new offer from prospective purchaser and conditions; review of letter from Sun Life and file documents for cash surrender value; enclosure letter to Sun Life regarding same; letter to N. Guyatt regarding payout for insurance loan/surrender difference; work on report to HSBC and forward to P. Casey; amendments to the reporting email and forward to P. Casey.	4.5	2.0	2.1	4.5	4.5
5/11/2015	Damiani, Stefano	Review correspondence regarding OSB investigation; follow up email to Featurecom regarding indebtedness to NTI; review and execute bill of sale, email to successful purchaser, and instructions to R. Brown; review APS regarding the Hansen property, amend letter to the purchaser's counsel (Cirillo), and discussion with A. Koroneos on same; review email by N. Guyatt regarding Honda Finance; email from purchaser regarding inventory.	2.6	1.0	1.6	2.6	2.6
5/11/2015	Koroneos, Anna	Telephone discussion with OSB regarding its investigation on the Leli bankruptcy; email to team regarding same and follow up call with R. Penstone on discussion; draft letter to J. Cirillo on Hansen funds and forward to S. Damiani and G. Moffat for review; discussion with S. Damiani on outstanding matters; review of email from N. Guyatt on Odyssey return to Honda.	2.0	0.0	2.0	2.0	2.0
5/12/2015	Brown, Rose	Banking Administration - disbursement cheques and deposit.	0.9	0.0	0.9	0.9	0.9

Allocation of Time				
Vaughan Property	Personal Property	General	Total	
0.5	0.0	0.1	0.6	
2.9	0.4	0.8	4.2	
0.9	0.0	1.3	2.2	
0.0	0.1	0.0	0.1	
2.0	0.0	0.5	2.5	
0.0	0.2	1.8	2.0	
0.0	0.0	0.3	0.3	
1.4	1.4	0.0	2.8	

Date	Professional	Description	Hours
5/12/2015	Casey, Paul	Receivership disbursement regarding real estate; meeting with S. Damiani and execute Innovation Drive counter offer to prospective purchaser; other matters.	0.6
5/12/2015	Damiani, Stefano	Voicecall to purchaser of inventory; review correspondence regarding deemed trust and lien; telephone discussion with S. Geraci of Featurecom regarding demand letter; follow up email to J. Boem of Supreme Insurance Brokers; review draft letter to N. Guyatt; review email regarding A/R; review general ledger; telephone discussion with J. De Matteis, counsel for the prospective purchaser re 101 Innovation Drive; review amended APS re 101 Innovation Drive and email from J. De Matteis; review letter from City of Vaughan re 101 Innovation Drive, and email to N. Guyatt and H. Goldberg on same; emails with Torkin Manes and J. De Matteis, attached initialed APS.	4.2
5/12/2015	Koroneos, Anna	Review of claim filed by CRA; review of property lien - request payment for both; letter to CRA enclosing payment; discussion with Carol of First Property Service (condo fees) to confirm amount and subsequent call to Mr. Deo, lawyer on lien; review of amended letter and forward to G. Moffatt for his comment; voicemail message from G. Moffatt regarding letter to N. Guyatt on emails.	2.2
5/12/2015	Koroneos, Anna	Follow up email to Mario at Motion Technologies regarding payment.	0.1
5/13/2015	Damiani, Stefano	Telephone discussion with A. English of Torkin Manes regarding offer amendment, building permit matter, and title due diligence date re 101 Innovation Drive; email correspondence with J. De Matteis and A. English regarding 101 Innovation Drive; review email from N. Guyatt regarding building permit issue on renovations to 101 Innovation Drive; detailed email correspondence with Supreme Insurance Brokers regarding renewal for 101 Innovation Drive; draft letter package to Connect Cabling, submit to P. Casey; review update report from P. Stern of SLC.	2.5
5/13/2015	Koroneos, Anna	Review of email from Motion Technology and update schedule of payments coming on AR listing; with J. Stern on various items, extensive call outlining relationships and 4370 Steeles; review of various emails; complete Sunlife cash redemption form and with S. Damiani regarding several matters.	2.0
5/14/2015	Brown, Rose	Trust Banking Administration - Deposit.	0.3
5/14/2015	Damiani, Stefano	On-site attendance at NIT's premises; meeting with purchaser of inventory to facilitate removal from 101 Innovation Drive; additional email from N. Guyatt regarding permits for 101 Innovation Drive; review email from HSBC regarding Leli bankruptcy and the Gusto investment; email correspondence with Supreme Insurance Brokers; email from J. De Matteis regarding the deposit for 101 Innovation Drive, and instructions to R. Brown regarding same; voicemail and telephone correspondence with J. De Matteis regarding APS and deposit; email from P. Casey.	2.8

Date	Professional	Description	Hours
5/14/2015	Koroneos, Anna	Drafting First Report to Court, review of emails from P. Stern and J. Borch on judgement; discussion with LMD Systems on unpaid invoice and send for payment; finalize Sunlife cash surrender letter and form; forward to Sun Life; review of redirected mail and respond where required; discussion with L. Arunugan, CRA auditor, and draft letter to R. Goldberg to collect information.	2.1
5/15/2015	Damiani, Stefano	Email to S. Geraci of Featurecom regarding outstanding A/R; reporting email to HSBC, submit to P. Casey; voicemail to G. Moffat of TGF; review emails from J. Borch of HSBC and P. Stern of SLC; review CRA letter; review and amend letter to H. Goldberg; instructions to C. Faria; review letter from Intact regarding Notice of Cancellation of Insurance, and send emails to Supreme Insurance Brokers and Marsh on same; telephone attendance with G. Moffat of TGF; amend draft letters with A. Koroneos; email to M. Nowina of Baker & McKenzie regarding security package; discussions with A. Koroneos.	3.1
5/15/2015	Koroneos, Anna	Discussion with G. Moffat on Cirillo letter and Guyatt letter regarding emails, finalize and send both; discussion with S. Damiani regarding various outstanding issues; review of redirected mail; discussion with Sun Life on cash surrender; update reporting email; discussion with Motion on address for cheque; finalize letter to R. Goldberg and send.	2.2

Total 331.5

Allocation of Time			
Vaughan Property	Personal Property	General	Total
0.0	0.8	1.3	2.1
0.5	0.2	2.5	3.1
0.0	0.4	1.8	2.2

53.6    112.4    165.5    331.5

*Summary of Professional Fees*

<b>Professional</b>	<b>Position</b>	<b>Hours</b>	<b>Hourly Rate</b>	<b>Amount</b>
Casey, Paul	Senior Vice President	20.3	\$600	\$ 12,180.00
Hristow, Catherine	Director	0.0	\$525	-
Damiani, Stefano	Vice President	121.7	\$470	57,199.00
Koroneos, Anna	Manager	154.9	\$350	54,215.00
Brown, Rose	Trust Administrator	12.1	\$110	1,331.00
Casey, Brian	Manager, Forensics	7.5	\$350	2,625.00
Ngai, Bosco Jun	Analyst, Forensics	14.0	\$142	1,988.00
Yick, Roger	Senior Consultant, Forensics	1.0	\$250	250.00
Total professional hours and fees before HST				\$ 129,788.00
HST on professional fees				16,872.44
Total professional fees (inclusive of HST)				\$ 146,660.44

*Allocation of Professional Fees*

<b>Professional</b>	<b>Position</b>	<b>Hourly Rate</b>	<b>Vaughan Property</b>		<b>Personal Property</b>		<b>General</b>		<b>Total</b>	
			<b>Hours</b>	<b>Invoice Amount</b>	<b>Hours</b>	<b>Invoice Amount</b>	<b>Hours</b>	<b>Invoice Amount</b>		
Casey, Paul	Senior Vice President	\$600	2.4	\$ 1,434	1.1	\$ 660	16.8	\$ 10,086	20.3	\$ 12,180
Hristow, Catherine	Director	\$525	-	-	-	-	-	-	-	-
Damiani, Stefano	Vice President	\$470	36.0	16,920	36.8	17,301	48.9	22,978	121.7	57,199
Koroneos, Anna	Manager	\$350	15.2	5,327	74.5	26,082	65.2	22,806	154.9	54,215
Brown, Rose	Trust Administrator	\$110	-	-	-	-	12.1	1,331	12.1	1,331
Casey, Brian	Manager, Forensics	\$350	-	-	-	-	7.5	2,625	7.5	2,625
Ngai, Bosco Jun	Analyst, Forensics	\$142	-	-	-	-	14.0	1,988	14.0	1,988
Yick, Roger	Senior Consultant, Forensics	\$250	-	-	-	-	1.0	250	1.0	250
Total professional hours and fees before HST			53.6	\$ 23,681	112.4	\$ 44,043	165.5	\$ 62,064	331.5	\$ 129,788
HST on professional fees				3,079		5,726		8,068		16,872
Total professional fees (inclusive of HST)				\$ 26,760		\$ 49,768		\$ 70,133		\$ 146,660

**National Telecommunications Inc.  
 Invoice #2 of the Receiver  
 Allocation of Professional Fees (Excluding Disbursements)  
 For the period May 16, 2015 to June 5, 2015**

Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
5/19/2015	Casey, Paul	Email correspondence with S. Damiani.	0.1	0.0	0.0	0.1	0.1
5/19/2015	Koroneos, Anna	Review of redirected mail; discussion with SunLife Broker on insurance value and notification; discussion with real estate broker on 101 Innovation Drive quote; discussion with S. Damiani; review of message from Otisco on expected payment of accounts receivable ("A/R").	1.2	0.3	0.6	1.2	1.2
5/19/2015	Damiani, Stefano	Email to G. Moffat of Thornton Groat Finnigan ("TGF"); review email from H. Goldberg of Norman, Goldberg & Co. LLP with respect to HST audit; update email to P. Casey; email correspondence to A. English of Torkin Manes LLP; email correspondence from M. Nowina of Baker & McKenzie LLP regarding security package; telephone and email to party that submitted an offer on NTTI's inventory; email correspondence with interested party regarding the forklift and other assets; email correspondence to another prospective purchaser regarding the forklift.	3.9	1.2	2.3	3.9	3.9
5/20/2015	Casey, Paul	Review email report and other receivership correspondence; meeting with S. Damiani.	1.5	0.0	1.5	1.5	1.5
5/20/2015	Koroneos, Anna	Review of email from N. Guyatt of NTTI; discussion with G. Moffat regarding same; discussion with S. Damiani on various issues; discussion with First Property Management regarding 101 Innovation Drive and discussion on payment, confirmation of receipt of follow up call and next payment direction; discussion with Blacksun regarding email release for May 21, 2015.	1.5	0.0	1.2	1.5	1.5

Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
5/20/2015	Damiani, Stefano	Telephone discussion with Supreme Insurance Brokers regarding Intact Insurance policy for 101 Innovation Drive; review email correspondence from N. Guyatt and A. Koroneos; review email from R. Goldhar's legal counsel regarding Leli bankruptcy; amend demand letter to Connect Cabling, and email to G. Moffat of TGF regarding same; meeting with P. Casey; draft bill of sale regarding forklift truck, email to G. Moffat regarding same; email correspondence to A. Koroneos regarding TD Bank Statement and Personal Property Security Act ("PPSA") report.	1.9	0.2	1.3	0.4	1.9
5/21/2015	Casey, Paul	Email correspondence regarding NII data.	0.1	0.0	0.0	0.1	0.1
5/21/2015	Koroneos, Anna	Discussion with S. Damiani regarding several outstanding matters; forward PPSA report to TGF; discuss forklift; review of email correspondence from N. Guyatt and email to Blacksum re: same; no response with P. Casey and TGF on email review.	1.0	0.0	0.3	0.8	1.0
5/21/2015	Damiani, Stefano	Amend and issue collection letter to Connect Cabling; draft letter to TD Canada Trust regarding outstanding banking information, and email to A. Koroneos regarding same; review correspondence from N. Guyatt regarding data, and related comments by G. Moffat regarding same; email correspondence with Supreme Insurance Brokers regarding termination of policy, and put questions regarding 101 Innovation Drive; review email from Baker & McKenzie regarding request from counsel to Addiction Associates re 101 Innovation Drive, and telephone correspondence with G. Moffat regarding same; email and telephone correspondence with purchaser regarding inventory and forklift.	4.8	1.2	0.5	3.1	4.8
5/22/2015	Casey, Paul	Review reporting email correspondence to HSBC Bank Canada ("HSBC" or the "Bank") and other correspondence.	0.5	0.0	0.0	0.5	0.5

Date	Professional	Description	Hours	Allocation of Time			Total
				Vaughan Property	Personal Property	General	
5/22/2015	Koroneos, Anna	Email to Blacksun re emails and subsequent discussion on same; follow up email correspondence; email correspondence to AR customers and with S. Damiani regarding collection agency; review of redirected mail and email correspondence re cheque from One Restaurant received; draft and send letter to TD Bank re statements; email to HSBC on deposits; discussions with S. Damiani regarding report; review of A/R and prepare collection schedule; email D. Glen of Credit Mediators Inc. re certain A/R.	2.5	0.0	2.0	0.5	2.5
5/22/2015	Damiani, Stefano	Review estate general ledger report and prepare interim statement of receipts and disbursements ("R&D"); email correspondence with A. Koroneos regarding A/R collections, outstanding information for banking transaction review; email correspondence with R. Penstone of HSBC regarding police investigation; draft reporting email to HSBC and submit to P. Casey.	3.3	0.0	0.3	3.0	3.3
5/25/2015	Brown, Rose	Trust Banking - Deposit.	0.3	0.0	0.0	0.3	0.3
5/25/2015	Koroneos, Anna	Discussion with Blacksun regarding emails; forward Blacksun's response to G. Moffatt for review and response; discussion with TD Bank regarding statements; telephone discussion with J. Borch of HSBC regarding cheque review; discuss schedule; discussion with S. Damiani regarding several matters; receipt of cheque from Otisco.	3.0	0.0	0.3	2.7	3.0
5/25/2015	Damiani, Stefano	Email correspondence with HSBC, A. Koroneos, and P. Casey regarding banking transactions; review banking transaction schedule; review fully executed bill of sale regarding forklift, instructions to R. Brown on same; email correspondence to P. Casey; review detailed letter from J. DeMatteis, counsel for the purchaser re 101 Innovation Drive; review email from Blacksun regarding data; email and comments to A. English re J. DeMatteis letter; email correspondence with A. Koroneos regarding discharge of lien regarding 101 Innovation Drive; email correspondence with A. English of Torkin Manes.	2.8	1.7	0.1	1.0	2.8
5/26/2015	Brown, Rose	Trust Banking Administration – Deposit; prepare disbursement, obtain signature and courier.	0.6	0.0	0.0	0.6	0.6



Allocation of Time			
Vaughan Property	Personal Property	General	Total
0.0	0.8	2.7	3.4
1.8	0.4	1.4	3.6
0.0	0.0	0.3	0.3
0.0	0.0	0.5	0.5
0.0	0.0	3.5	3.5

Date	Professional	Description	Hours
5/26/2015	Koroneos, Anna	Obtain access to nticanada.com and Nelson@nticanada.com; review email correspondence and compile same; discussion with G. Moffat of TGF on letter to Blacksun; review same; review email from Blacksun; forward Otisco cheque to R. Brown and email correspondence on same; discussion with S. Damiani regarding 407 ETR; Motion Technologies payment and update summary; discussion with CMI collection agency regarding assignment of accounts for collection.	3.4
5/26/2015	Damiani, Stefano	Review email from Supreme Insurance Brokers; populate insurance application, and email and voicemail correspondence with Marsh Insurance ("Marsh") regarding same; review A/R collections update; review correspondence with Blacksun; telephone discussion with the City of Vaughan regarding property taxes, and draft letter for access to information; draft cover letter for disbursement; telephone discussion with creditor (407 ETR), and email correspondence with N. Guyatt and Honda Finance/bailiff regarding same; follow up email to S. Geraci of Featurecom; email correspondence to A. Koroneos regarding R. Goldhar on the Leli bankruptcy; email to Goldhar regarding accounting of payments regarding Elston Richardson; review draft responding letter to the purchaser's counsel, and email correspondence with S. Zuk of Torkin Manes regarding same; review statement of account and telephone and email correspondence with representatives of Travellers Insurance regarding same.	3.6
5/27/2015	Brown, Rose	Trust Banking Administration – Deposit.	0.3
5/27/2015	Ngai, Bosco Jun	Support with respect to emails and data.	0.5
5/27/2015	Casey, Paul	Preparation meeting with A. Koroneos and attend meeting at HSBC with Bank and counsel; follow-up meeting with S. Damiani and A. Koroneos and instructions.	3.5

Date	Professional	Description	Hours	Allocation of Time			Total
				Vaughan Property	Personal Property	General	
5/27/2015	Koroneos, Anna	Review P. Stern summary and make factual changes; review certain transactions from January 9, 2015; discussion with Canada Revenue Agency ("CRA") regarding audit for HST and forward letter and response from H. Goldberg; continue review of email correspondence and discussion with P. Casey regarding same; meeting with P. Casey and S. Damiani regarding HSBC meeting; forward information to P. Stern for review.	4.5	0.0	0.0	4.5	4.5
5/27/2015	Damiani, Stefano	Telephone discussion with the purchaser regarding the forklift and inventory; review email and finalized letter from S. Zuk responding to J. De Matteis; review of email correspondence regarding N. Guyatt, correspondence with A. Koroneos regarding same; emails with P. Casey and A. Koroneos regarding inventory, shipments, borrowing base, NTI bookkeeper; other matters; team meeting with P. Casey and A. Koroneos; review proposed insurance quotes from Marsh, and email correspondence with L. DeGeus regarding same; email correspondence from Honda Finance and Adesa regarding 407 ETR transponders; voicemail and email correspondence to G. Moffat; discussion with A. Koroneos regarding CRA.	2.6	0.8	0.4	1.4	2.6
5/28/2015	Damiani, Stefano	Telephone discussion with G. Moffat of TGF regarding security review; email and voicemail correspondence with A. English of Torkin Manes regarding review of charge/mortgage on real property; drafting of Report to Court; review email and letter from J. DeMatteis regarding an extension request on 101 Innovation Drive, and emails with Torkin Manes regarding same; email correspondence to HSBC regarding extension of title due diligence date; review of NTI emails, discussion with A. Koroneos regarding same; review report from P. Stern, discussion with A. Koroneos regarding same; telephone discussion with A. English.	2.9	2.2	0.0	0.7	2.9
5/28/2015	Koroneos, Anna	Discussion with S. Damiani regarding several o/s issues; review of email correspondence and telephone discussion with Blacksun regarding computer virus; review new emails and draft summary for P. Stern; discussion with P. Casey regarding same and articles found and connection with Hansen; update A/R schedule.	2.0	0.0	0.8	1.2	2.0

Allocation of Time			
Vaughan Property	Personal Property	General	Total
0.0	0.2	1.7	1.9
0.0	1.5	1.0	2.5
0.0	0.0	4.5	4.5
0.0	0.0	0.3	0.3
0.1	0.0	0.1	0.2
0.0	0.0	2.5	2.5
2.4	1.2	1.2	4.8
0.0	0.7	0.3	1.0

Date	Professional	Description	Hours
5/29/2015	Damiani, Stefano	Email correspondence with purchaser regarding inventory and forklift; commence drafting of Report to Court; email to A. Koroneos regarding TD Bank statements; voicemail to TD Bank branch representative regarding status of bank statements; voicemail to Marsh.	1.9
5/29/2015	Koroneos, Anna	Review of emails from nelson@nticanada.com; summary email to P. Stern on findings review and send same; prepare collections schedule.	2.5
6/1/2015	Koroneos, Anna	Review of account summary from TD Bank and enter into bank summary; telephone discussion with TD Bank regarding same; review of NTI Canada .com email correspondence.	4.5
6/1/2015	Damiani, Stefano	Review email report from A. Koroneos and attachments regarding Hansen properties, N. Guyatt email correspondence etc.	0.3
6/2/2015	Casey, Paul	Email correspondence with A. Koroneos, S. Damiani regarding various matters; status of Innovation Drive sale.	0.2
6/2/2015	Koroneos, Anna	Review of TD Bank statements; discussion with TD Bank on further requirements on deposit information and highlight on printouts and return to TD Bank; discussion with P. Casey regarding same; review of email correspondence from P. Casey and respond to same; discussion with S. Damiani regarding site visit and reporting.	2.5
6/2/2015	Damiani, Stefano	On-site attendance at the premises of NTI; meeting with purchaser of inventory and forklift; review available books and records; email correspondence with S. Zuk of Torkin Manes and M. Nowina regarding security documents; telephone discussion and email correspondence with L. DeGues of Marsh regarding 101 Innovation Drive; discussion regarding TD banking information; email correspondence with Torkin Manes regarding title due diligence date; telephone discussion with A. English; review notice of waiver from J. DeMatteis regarding sale of 101 Innovation Drive; additional email correspondence with S. Zuk; reporting email to J. Borch and B. Pettit of HSBC.	4.8
6/3/2015	Koroneos, Anna	Discussion with S. Damiani regarding various issues; format and fill out form for CMI collections, forward to S. Damiani and send to D. Glen of CMI for review.	1.0

Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
6/3/2015	Damiani, Stefano	Review and amend A/R schedule; updating of Report to Court; review of email correspondence from M. Nowina regarding mortgage documents; telephone discussion with CRA Auditor regarding HST, and email correspondence to A. Koroneos regarding same; voicemail to G. Moffat of TGF regarding Court timing, matters relating to upcoming motion; voicemail to P. Casey; review letter from Connect Cabling, and email comments to P. Casey; email correspondence with R. Brown regarding disbursements; instructions to R. Brown re CRA.	4.6	0.0	1.2	3.5	4.6
6/4/2015	Koroneos, Anna	Review of A/R collections and enter details in form for CMI; attach invoices and email same; review of daily Blacksum email correspondence	1.5	0.0	1.2	0.3	1.5
6/4/2015	Damiani, Stefano	Email and telephone correspondence with S. Zuk of Torkin Manes; review legal opinion from Torkin Manes regarding mortgage; telephone and email correspondence with Supreme Insurance Brokers; email correspondence with L. DeGues of Marsh regarding certificate of insurance and invoice; telephone discussion with G. Moffat of TGF; drafting of report to Court; voicemail to A. English; telephone discussion with K. Mahar of TGF regarding security review; email and telephone correspondence with Fine & Deo regarding Discharge of Lien documentation re 101 Innovation Drive.	3.3	2.5	0.0	0.8	3.3
6/5/2015	Brown, Rose	Completion of on-going trust account banking administration, and disbursement processing.	0.4	0.0	0.0	0.4	0.4
6/5/2015	Koroneos, Anna	Review documents and start list of questions for N. Guyatt; discussion with S. Damiani regarding several issues; discussion with Carol regarding payment with R. Brown to request same for overnight; request and receipt of lien discharges.	2.0	1.0	0.0	1.0	2.0

				Allocation of Time		
Vaughan Property		Personal Property	General	Total		
1.4		0.3	3.8	5.4		

<b>16.2</b>	<b>14.8</b>	<b>56.3</b>	<b>87.2</b>
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Date	Professional	Description	Hours
6/5/2015	Damiani, Stefano	Review emails regarding Discharge of Lien on 101 Innovation Drive; review email regarding A/R collections agency, comments to A. Koroneos; review invoice, instructions to R. Brown; review draft letter regarding mortgage, correspondence with S. Zuk regarding same; review email to the purchaser's counsel regarding extension of closing date regarding 101 Innovation Drive; drafting of Report to Court; review estate general ledger report and prepare statement of cash receipts and disbursements; email to A. Koroneos regarding Court Report.	5.4

<b>Total</b>	<b>87.2</b>
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*Summary of Professional Fees*

Professional	Position	Hours	Hourly Rate	Amount
Casey, Paul	Senior Vice President	5.9	\$600	\$ 3,540.00
Hristow, Catherine	Director	0.0	\$525	-
Damiani, Stefano	Vice President	46.1	\$470	21,667.00
Koroneos, Anna	Manager	33.1	\$350	11,585.00
Brown, Rose	Trust Administrator	1.6	\$110	176.00
Casey, Brian	Manager, Forensics	0.0	\$350	-
Ngai, Bosco Jun	Analyst, Forensics	0.5	\$142	71.00
Yick, Roger	Senior Consultant, Forensics	0.0	\$250	-
Total professional hours and fees before HST				\$ 37,039.00
HST on professional fees				4,815.07
Total professional fees (inclusive of HST)				\$ 41,854.07

*Allocation of Professional Fees*

Professional	Position	Vaughan Property		Personal Property		General		Total	
		Hours	Invoice Amount	Hours	Invoice Amount	Hours	Invoice Amount	Hours	Invoice Amount
Casey, Paul	Senior Vice President	0.1	\$ 600	-	\$ -	5.8	\$ 3,480	5.9	\$ 3,540
Hristow, Catherine	Director	-	-	-	-	-	-	-	-
Damiani, Stefano	Vice President	14.5	6,792	7.0	3,295	24.7	11,581	46.1	21,667
Koroneos, Anna	Manager	1.6	560	7.8	2,730	23.7	8,295	33.1	11,585
Brown, Rose	Trust Administrator	-	-	-	-	1.6	176	1.6	176
Casey, Brian	Manager, Forensics	-	-	-	-	-	-	-	-
Ngai, Bosco Jun	Analyst, Forensics	-	-	-	-	0.5	71	0.5	71
Yick, Roger	Senior Consultant, Forensics	-	-	-	-	-	-	-	-
Total professional hours and fees before HST		16.2	\$ 7,412	14.8	\$ 6,025	56.3	\$ 23,603	87.2	\$ 37,039
HST on professional fees		-	-	-	-	-	-	-	-
Total professional fees (inclusive of HST)		16.2	\$ 7,412	14.8	\$ 6,025	56.3	\$ 23,603	87.2	\$ 37,039
		963		783		3,068		4,815	
		<b>8,375</b>		<b>6,808</b>		<b>26,671</b>		<b>41,854</b>	

**National Telecommunications Inc.  
 Invoice #3 of the Receiver  
 Allocation of Professional Fees (Excluding Disbursements)  
 For the period June 6, 2015 to June 26, 2015**

Allocation of Time			
Vaughan Property	Personal Property	General	Total
0.1	0.1	0.2	0.4
0.7	1.1	2.6	4.3
0.0	4.1	1.4	5.5
0.0	1.0	1.0	2.0

Date	Professional	Description	Hours
6/8/2015	Casey, Paul	Discussions with A. Koroneos and S. Damiani regarding accounts receivable ("A/R"), Court report, and Innovation Drive sale.	0.4
6/8/2015	Damiani, Stefano	Email correspondence with K. Mahar of Thornton Groat Finnigan ("TGF") regarding security opinion; telephone and email correspondence with S. Zuk of Torkin Manes LLP ("Torkin Manes") regarding Addition Associates mortgage; discussion with A. Koroneos regarding report to Court; review vendor invoices; meeting and emails with P. Casey; review interim account of TGF for April 2015; telephone discussion with D. Glen of Collection Mediators Inc. ("CMI") regarding Connect Cabling account; update report to Court; email to A. Quinto of Connect Cabling; review draft letter by S. Zuk of Torkin Manes.	4.3
6/8/2015	Koroneos, Anna	Discussion with D. Glen regarding approvals on A/R collections; correspondence with Canada Revenue Agency ("CRA") on HST audit and scheduling; discussion with C. Faria on invoice and with S. Damiani on same; work on Court report; discussion with D. Glen on completing account paperwork, and forward some invoices for support; gathering information for report, gathering information for email responses.	5.5
6/9/2015	Casey, Paul	Meetings with S. Damiani regarding A/R collection and Court report; meetings with A. Koroneos regarding investigation; conference call with P. Stern of Stern Landesman Clark ("SLC") and follow up emails; discussion allocation of costs and proposed distribution to mortgagees; receivership correspondence.	2.0

Allocation of Time				
Vaughan Property	Personal Property	General	Total	
1.6	1.0	1.4	3.9	
0.0	0.5	2.9	3.4	
0.0	0.0	1.0	1.0	
0.1	2.5	2.4	5.0	

Date	Professional	Description	Hours
6/9/2015	Damiani, Stefano	Review email proposal from collection agency regarding Connect Cabling, prepare analysis; telephone and email correspondence with D. Glen of CMI; review TGF security opinion; respond to query from real estate broker regarding 101 Innovation Drive; reporting email to HSBC with respect to Connect Cabling offer, and reply from B. Pettit of HSBC on same; discussion with P. Casey; email correspondence with P. Stern of SLC and P. Casey regarding Episolar; review email from Torkin Manes to the purchaser's legal counsel regarding 101 Innovation Drive; discussion with A. Koroneos; email to A. Koroneos regarding Panda and Episolar; prepare interim account package, instructions to C. Faria, and meeting with P. Casey.	3.9
6/9/2015	Koroneos, Anna	Discussion with D. Glen of CMI on A. Quinto offer and forward to S. Damiani; review of email from realtor; discussion with P. Stern of SLC and P. Casey; title search on specific property and review same; work on report to Court; review of email from D. Glen of CMI on Featurecom and forward to S. Damiani.	3.4
6/10/2015	Casey, Paul	Emails regarding Panda Ventures and other investigation matters; Episolar; other estate correspondence; review November 2014 margin certificate.	1.0
6/10/2015	Damiani, Stefano	Emails with HSBC, P. Stern of SLC, P. Casey, and A. Koroneos regarding certain transactions; review general ledger reports, and prepare summary regarding Episolar and Panda; review affidavit of fees of A. English of Torkin Manes; review emails from A. Koroneos to G. Wass of Panda; telephone discussion with D. Glen of CMI regarding Connect Cabling A/R; detailed email to G. Moffat of TGF regarding Connect Cabling release letter; review email from A. Koroneos regarding land title search; voicemail to CRA auditor regarding HST; review comments from A. Koroneos regarding report to Court, and amend same; email from J. DeMatteis, the purchaser's counsel, regarding extension of closing date re 101 Innovation Drive sale; draft correspondence to HSBC.	5.0

Allocation of Time				
Vaughan Property	Personal Property	General	Total	
0.0	0.0	5.0	5.0	
0.0	0.0	1.0	1.0	
0.0	0.2	3.4	3.6	
0.0	0.0	3.0	3.0	
1.7	1.7	0.0	3.4	
0.0	0.3	0.7	1.0	
0.0	1.5	1.6	3.1	
0.0	0.7	0.7	1.3	
0.0	0.6	2.4	3.0	

Date	Professional	Description	Hours
6/10/2015	Koroneos, Anna	Discussion with S. Damiani on several matters; with P. Stern of SLC and P. Casey on Episolar and Panda locate details on several issues and send; review of land title search; work on report to Court.	5.0
6/11/2015	Casey, Paul	Discussions with S. Damiani and A. Koroneos regarding Court report; proposed distribution calculation.	1.0
6/11/2015	Damiani, Stefano	Review email from G. Moffat of TGF regarding A/R agreement; review of TGF's bill of costs; email to HSBC with respect to the approval of the Receiver's legal fees; review amendments by A. Koroneos; update report to Court.	3.6
6/11/2015	Koroneos, Anna	Report to Court and gather information.	3.0
6/12/2015	Damiani, Stefano	Review and amend settlement agreement regarding Connect Cabling, and email and telephone correspondence with G. Moffat on same; discussion with P. Casey; instructions to D. Glen of CMI regarding Connect Cabling, telephone and email correspondence on same; review response from Panda; telephone discussion with S. Zak of Torkin Manes regarding security on 101 Innovation Drive; analysis on sale of building, email to HSBC on same; emails with Torkin Manes re status of outstanding documentation from Addiction Associates; meeting with P. Casey.	3.4
6/12/2015	Casey, Paul	Review Connect Cabling settlement letter; meeting with S. Damiani.	1.0
6/12/2015	Koroneos, Anna	Discussion with SunLife regarding cash surrender value and non-payment of premium loan reconciliation; review of prior tax return; discussion with C. Faria regarding file administration; discussion with D. Glen on obtaining invoices for A/R customers; discussion with S. Damiani on affidavit; file documentation.	3.1
6/15/2015	Damiani, Stefano	Update report to Court, and email to P. Casey on same; voicemail and email correspondence with K. Mahar of TGF; voicemail correspondence with P. Lewis of CMI regarding Connect Cabling; email to D. Glen of CMI regarding settlement agreement for Connect Cabling; discussion with P. Casey.	1.3
6/15/2015	Koroneos, Anna	Work on Court report; discussion with D. Glen of CMI on collections and back up.	3.0



Allocation of Time				
Vaughan Property	Personal Property	General	Total	
0.0	0.0	1.0	1.0	
0.4	0.8	0.8	2.1	
0.0	0.5	3.0	3.5	
0.5	0.0	3.1	3.6	
0.0	0.0	3.2	3.2	

Date	Professional	Description	Hours
6/16/2015	Casey, Paul	Email P. Stern of SLC regarding Episolar; instructions S. Damiani and A. Koroneos; review letter to E. Richardson; telephone conversation with B. Pettit; meeting S. Damiani to review draft Court report.	1.0
6/16/2015	Damiani, Stefano	Emails regarding timing of A/R collection (Otisco); review email and attachment by Panda; email and telephone correspondence with P. Lewis of CMI regarding Connect Cabling; amend report to Court; meeting with A. Koroneos; review email from S. Zuk of Torkin Manes to H. Goldberg of Norman, Goldberg & Co. LLP regarding Addiction Associates; emails to S. Zuk of Torkin Manes regarding security.	2.1
6/16/2015	Koroneos, Anna	Discussions with S. Damiani on Court report, and review same; compile information; email to Otisco on final payment and forward response received from C. Miller; review of email from G. Wass of Panda regarding shipping and forward same.	3.5
6/17/2015	Damiani, Stefano	Numerous emails with P. Stern of SLC, A. Koroneos, and P. Casey regarding Episolar, compile documentation on same; voicemail and email to J. Borch of HSBC; review email from Torkin Manes regarding security, and telephone discussion with K. Mahar or TGF on same; telephone discussion with K. Mahar of TGF regarding motion and other matters; email to S. Zuk and A. English of Torkin Manes; amend report to Court; email to Baker McKenzie regarding documentation; review letter to E. Richardson; review correspondence with N. Guyatt regarding substantial payments made by NTI to two parties.	3.6
6/17/2015	Koroneos, Anna	Discussion with P. Casey and P. Stern on Episolar and meeting with R. Koblinsky of Episolar; gather information and forward; work on Court report; prepare and send to P. Casey letter to E. Richardson regarding investments; finalize and email prepare and send information to G. Moffat of TGF regarding follow up with J. Cirillo on Hansen release.	3.2

Allocation of Time				
Vaughan Property	Personal Property	General	Total	
0.8	0.0	1.8	2.5	
1.2	1.2	2.4	4.8	
0.0	0.0	4.0	4.0	
0.0	0.0	0.0	0.0	
0.0	0.0	0.8	0.8	
0.0	0.0	2.7	2.7	
0.0	0.0	1.7	1.7	
0.0	0.0	0.0	0.0	

Date	Professional	Description	Hours
6/18/2015	Casey, Paul	Review and comments on draft Court Report; meeting S. Damiani; review of secured charges; telephone conversation with counsel; review Addition Associates payout statement.	2.5
6/18/2015	Damiani, Stefano	Email to N. Guyatt with respect to amounts owing from 2188257 Ontario Inc.; numerous emails with TGF; review comments from P. Casey, amend report to Court; telephone discussion with S. Zuk of Torkin Manes regarding security documentation; review Addition Associates payout statement prepared by H. Goldberg; review HSBC debt details, prepare summary schedule; discussion with P. Casey; emails with P. Lewis of CMI regarding Connect Cabling negotiations; review correspondence with J. Cirillo and TGF.	4.8
6/18/2015	Koroneos, Anna	Discussion with TGF with Grant and Annette of TGF on J. Cirillo letter, review and read J. Cirillo response; forward e-mails with Forensic IT on emails and review data once received; review of @nitcanada.com emails received recently, identify email from B. Coones; discussions with S. Damiani on Court report; review of request from S. Damiani to N. Guyatt; review and respond to several questions and emails from S. Damiani, search for support and forward.	4.0
6/18/2015	Ngai, Bosco Jun	Compilation of e-mails for A. Koroneos.	-
6/19/2015	Casey, Paul	Review and swear fee affidavit; meeting with S. Damiani regarding Court report; telephone call from G. Moffat of TGF regarding Court report and security interest.	0.8
6/19/2015	Damiani, Stefano	Email correspondence with N. Guyatt and H. Goldberg regarding outstanding financial information; emails with Deloitte Forensics regarding QuickBooks; update Research and Development; emails to TGF regarding Court materials; compile information regarding P. Casey fee affidavit; discussion with P. Casey; compile exhibits for report; telephone call with K. Mahar of TGF.	2.7
6/19/2015	Koroneos, Anna	Review of emails on @nitcanada.com; prepare for QA, review report and add information required;	1.7
6/19/2015	Ngai, Bosco Jun	Evidence management and data extraction.	-

Allocation of Time				
Vaughan Property	Personal Property	General	Total	
0.0	0.0	2.0	2.0	
0.2	1.9	2.6	4.7	
0.0	0.0	1.0	1.0	
0.0	0.0	0.3	0.3	
0.0	0.0	2.0	2.0	
0.9	0.5	3.3	4.7	
0.0	0.0	0.7	0.7	

Date	Professional	Description	Hours
6/22/2015	Casey, Paul	Review counsel's comments on Court report; multiple meetings and calls to finalize report; discuss legal opinions and timing for distributions; discussions on other Court relief; set up call with HSBC.	2.0
6/22/2015	Damiani, Stefano	Review comments from TGF regarding report to Court, emails with K. Mahar of TGF on same; telephone discussion and email correspondence with D. Glen of CMI regarding Connect Cabling counteroffer; emails with A. Koroneos on report to Court; attend conference call with TGF and P. Casey; review Torkin Manes letter on security; execute amended settlement agreement regarding Connect Cabling, forward to CMI with instructions; email to N. Guyatt regarding possible assignment in bankruptcy of NTI; update report to Court; email to HSBC and TGF; meeting with P. Casey.	4.7
6/22/2015	Koroneos, Anna	Review of report with S. Damiani on updates; answer questions.	1.0
6/23/2015	Brown, Rose	Trust Banking administration, disbursement cheques.	0.3
6/23/2015	Casey, Paul	Attend conference call with counsel and bank to finalize Court report for approval of land and building sale; revise and issue report; review exhibits; telephone conversation with J. Borch; review response to N. Guyatt to request assignment in bankruptcy.	2.0
6/23/2015	Damiani, Stefano	Attend conference call with HSBC and TGF; email and telephone correspondence with K. Mahar of TGF; email and telephone correspondence with S. Zuk of Torkin Manes; emails to A. Koroneos; amend and finalize report to Court, forward to K. Mahar for comments; review letter from TGF, provide comments to K. Mahar; review Addition Associates extension agreement; review draft Orders, provide comments to K. Mahar on same; discussions with C. Hristow regarding QA review; telephone discussion with D. Glen of CMI regarding Connect Cabling; instructions to C. Faria regarding Receiver's website.	4.7
6/23/2015	Hristow, Catherine	QA court report; discussion with P. Casey.	0.7

Allocation of Time				
Vaughan Property	Personal Property	General	Total	
0.0	0.0	5.0	5.0	
0.0	0.0	0.0	0.0	
0.0	0.0	0.3	0.3	
0.0	0.2	0.5	0.7	
0.2	0.0	4.2	4.4	
0.0	0.5	0.5	1.0	
0.0	0.2	0.2	0.3	
0.0	0.5	1.4	1.8	
0.3	0.0	1.0	1.3	

Date	Professional	Description	Hours
6/23/2015	Koroneos, Anna	Review of bank receipt for NTD US and Canadian accounts enter into banking schedule, and correspondence with R. Penstone of HSBC on same.	5.0
6/23/2015	Ngai, Bosco Jun	Segregate QuickBooks files, as requested.	-
6/24/2015	Brown, Rose	Trust Banking administration, deposit.	0.3
6/24/2015	Casey, Paul	Emails with HSBC regarding court application and related communication; email from A. Koroneos regarding A/R collections.	0.7
6/24/2015	Damiani, Stefano	Emails with K. Mahar of TGF regarding service list and motion record; follow up email to Marsh Insurance; review HSBC letter and comments to P. Casey; voicemail to CRA regarding HST audit; emails to A. Koroneos; compile QA information package.	4.4
6/24/2015	Koroneos, Anna	Discussion with CRA on HST and Payroll audits and amounts due including missing returns; with S. Damiani on status of HST audit and scheduling same; email to J. Borch of HSBC and team on Otisco cheque and instructions to R. Brown for deposit.	1.0
6/25/2015	Casey, Paul	Correspondence with J. Borch of HSBC; meeting S. Damiani regarding Connect Cabling collection.	0.3
6/25/2015	Damiani, Stefano	Voicemail correspondence with representative of Bankruptcy Highway regarding Honda Finance; voicemail correspondence with CRA regarding HST audit; meeting with A. Koroneos; email correspondence with K. Mahar of TGF; email correspondence with CMI regarding Connect Cabling account; reporting email to HSBC regarding Connect Cabling.	1.8
6/25/2015	Koroneos, Anna	Telephone conversation regarding invoice received from lighting work completed at 101 Innovation Drive which is addressed to and was signed by A. Quinto; compile information.	1.3

Date	Professional	Description	Hours
6/26/2015	Damiani, Stefano	On-site attendance at the premises of NIT; meeting with CRA representative with respect to HST audit; review emails from P. Stern of SLC and B. Pettit of HSBC; review books and records on-site and arrange for transfer to office; email and telephone correspondence with purchaser of the inventory, and send email to HSBC on same; telephone discussion with D. Glen of CMI regarding Connect Cabling, review of proposed release request from Connect Cabling; review email by N. Guyatt regarding 2334720.	4.6
6/26/2015	Koroneos, Anna	Prepare for and attend at company's premise to meet for CRA audit and box records; review of documents while boxing.	6.0

**Total** 120.6

Allocation of Time			
Vaughan Property	Personal Property	General	Total
0.5	2.1	2.1	4.6
2.4	0.0	3.6	6.0

**11.6** 23.5 85.6 120.6

*Summary of Professional Fees*

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Amount</u>
Casey, Paul	Senior Vice President	14.7	\$600	\$ 8,820.00
Hristow, Catherine	Director	0.7	\$525	367.50
Damiani, Stefano	Vice President	54.9	\$470	25,803.00
Koroneos, Anna	Manager	49.7	\$350	17,395.00
Brown, Rose	Trust Administrator	0.6	\$110	66.00
Casey, Brian	Manager, Forensics	0.0	\$350	-
Ngai, Bosco Jun	Analyst, Forensics	0.0	\$142	-
Yick, Roger	Senior Consultant, Forensics	0.0	\$250	-
Total professional hours and fees before HST				<u>\$ 52,451.50</u>
HST on professional fees				<u>6,818.70</u>
Total professional fees (inclusive of HST)				<u><u>\$ 59,270.20</u></u>

*Allocation of Professional Fees*

<u>Professional</u>	<u>Position</u>	<u>Hourly Rate</u>	<u>Vaughan Property</u>		<u>Personal Property</u>		<u>General</u>		<u>Total</u>	
			<u>Hours</u>	<u>Invoice Amount</u>	<u>Hours</u>	<u>Invoice Amount</u>	<u>Hours</u>	<u>Invoice Amount</u>	<u>Hours</u>	<u>Invoice Amount</u>
Casey, Paul	Senior Vice President	\$600	0.9	\$ 522	1.8	\$ 1,068	12.1	\$ 7,230	14.7	\$ 8,820
Hristow, Catherine	Director	\$525	-	-	-	-	0.7	368	0.7	368
Damiani, Stefano	Vice President	\$470	8.0	3,774	14.0	6,580	32.9	15,449	54.9	25,803
Koroneos, Anna	Manager	\$350	2.7	945	7.7	2,702	39.3	13,748	49.7	17,395
Brown, Rose	Trust Administrator	\$110	-	-	-	-	0.6	66	0.6	66
Casey, Brian	Manager, Forensics	\$350	-	-	-	-	-	-	-	-
Ngai, Bosco Jun	Analyst, Forensics	\$142	-	-	-	-	-	-	-	-
Yick, Roger	Senior Consultant, Forensics	\$250	-	-	-	-	-	-	-	-
Total professional hours and fees before HST			11.6	\$ 5,241	23.5	\$ 10,350	85.6	\$ 36,860	120.6	\$ 52,452
HST on professional fees				681		1,346		4,792		6,819
Total professional fees (inclusive of HST)				<u>\$ 5,922</u>		<u>\$ 11,696</u>		<u>\$ 41,652</u>		<u>\$ 59,270</u>

**National Telecommunications Inc.  
 Invoice #4 of the Receiver  
 Allocation of Professional Fees (Excluding Disbursements)  
 For the period June 27, 2015 to July 31, 2015**

Date	Professional	Description	Hours
6/29/2015	Casey, Paul	Emails regarding Court preparation.	0.1
6/29/2015	Damiani, Stefano	Review books and records; emails to A. Koroneos; review correspondence from CRA; email correspondence with D. Glen of CMI regarding Connect Cabling; review correspondence from Thornton Groat Finnigan LLP ("TGF") regarding Court hearing; email to P. Casey regarding Broadconnect and Gusto invoice.	2.8
6/29/2015	Koroneos, Anna	Discussion with D. Glen and S. Damiani on receivables; respond to questions in preparation for court attendance; discussion with S. Damiani; review of emails, locate background emails from N. Guyatt.	3.1
6/30/2015	Brown, Rose	Trust Banking administration, disbursement cheque and deposit.	0.8
6/30/2015	Damiani, Stefano	Email and telephone correspondence with S. Zuk of Torkin Manes LLP; numerous emails with information to A. Koroneos regarding Court attendance; emails with P. Casey on several matters; review Marsh Insurance letter, invoice and certificate, and provide instructions to R. Brown; emails with K. Mahar of TGF; review Court Orders and Endorsement of Conway J.; instructions to C. Faria regarding Receiver's website; discussion with P. Casey, draft email to N. Guyatt regarding bankruptcy; telephone discussion with A. English of Torkin Manes regarding closing date; review reporting email to HSBC Bank Canada (the "Bank"); telephone discussion with K. Mahar of TGF; banking instructions to R. Brown.	3.6
6/30/2015	Casey, Paul	Prepare and attend at the Ontario Superior Court of Justice; review follow up emails to N. Guyatt and the Bank.	3.5
6/30/2015	Koroneos, Anna	Review of TD deposits received and enter information into banking summary; prepare for and attendance at court regarding approval of sale of 101 Innovation Drive and order approving assignment in bankruptcy; continue review of invoices for filing; draft notes from records found.	3.7
7/2/2015	Brown, Rose	Trust Banking administration, reconcile General Ledger to Bank Statement and prepare disbursement cheques.	0.9

Allocation of Time				
Vaughan Property	Personal Property	General	Total	
0.0	0.0	0.1	0.1	
0.0	1.4	1.4	2.8	
0.0	0.9	2.2	3.1	
0.0	0.0	0.8	0.8	
1.4	0.0	2.2	3.6	
0.0	0.0	3.5	3.5	
0.0	0.0	3.7	3.7	
0.0	0.0	0.9	0.9	

Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
7/2/2015	Damiani, Stefano	Review email from A. English of Torkin Manes to J. DeMatteis regarding closing date; review response from J. DeMatteis; telephone discussion with J. Seiverd (VP Operations) of CMI regarding A/R; review records.	1.3	0.7	0.7	0.0	1.3
7/2/2015	Koroneos, Anna	Organizing records and key customers; review of amounts in and out for each key customer found and files.	3.5	0.0	3.5	0.0	3.5
7/3/2015	Brown, Rose	Trust Banking administration, prepare disbursement cheques.	0.5	0.0	0.0	0.5	0.5
7/3/2015	Damiani, Stefano	Voicemail correspondence with CRA auditor; review of records; email to A. Koroneos regarding QuickBooks.	1.4	0.0	0.0	1.4	1.4
7/6/2015	Damiani, Stefano	E-mails with A. English of Torkin Manes regarding closing date for 101 Innovation Drive; e-mails with A. Koroneos regarding utilities; telephone discussion with J. Seiverd (VP, CMI) regarding Connect Cabling call; e-mail to A. Koroneos regarding letter to J. Cirillo; file administration.	1.6	0.5	0.5	0.6	1.6
7/6/2015	Koroneos, Anna	Continuation of entering deposit information found on site and reconciling with bank statements; review of redirected mail and respond where required; review emails.	4.0	0.0	0.0	4.0	4.0
7/7/2015	Damiani, Stefano	E-mail to E. Haynes of Marsh regarding insurance for 101 Innovation Drive; e-mail and telephone correspondence with K. Mahar of TGF regarding query from Addiction Associates' counsel; review follow up e-mail to E. Richardson regarding Gusto and Episolar matters; e-mail to A. English of Torkin Manes regarding closing date; e-mail to D. Glen of CMI regarding Featurecom A/R.	0.6	0.1	0.1	0.2	0.6
7/7/2015	Koroneos, Anna	Review of redirected mail and respond where required; review e-mail correspondence.	0.7	0.0	0.0	0.7	0.7
7/8/2015	Damiani, Stefano	Review e-mails from the purchaser's counsel and Torkin Manes regarding closing date; e-mail and telephone correspondence with J. Seiverd (VP, CMI) regarding updated negotiations with Connect Cabling; e-mail and telephone correspondence with Torkin Manes regarding property taxes and statement of adjustments; voicemail and e-mail to C. Palazzotto of First Service Residential regarding maintenance fees; review J. Cirillo letter package dated July 8, 2015.	1.3	1.0	0.3	0.0	1.3



Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
7/9/2015	Damiani, Stefano	E-mail correspondence with representatives of First Service Residential regarding 101 Innovation Drive, and review July 2015 invoice and Status Certificate; e-mails with S. Zuk of Torkin Manes; review statement of adjustments and provide comments to Torkin Manes.	0.4	0.4	0.0	0.0	0.4
7/9/2015	Koroneos, Anna	Review of email from the property management company for amount due and certificate, and discussion with S. Damiani on same.	0.3	0.3	0.0	0.0	0.3
7/10/2015	Damiani, Stefano	Draft reporting e-mail to the Bank; review voicemail and e-mail summary from CMI regarding Connect Cabling offer, and respond with instructions.	0.8	0.0	0.4	0.4	0.8
7/10/2015	Koroneos, Anna	Discussion regarding J. Cirillo and the Hansen property; review of documents and "@nticanada" email with banking attachment.	0.7	0.0	0.0	0.7	0.7
7/13/2015	Damiani, Stefano	On-site attendance at NTL's premises; review detailed email correspondence from J. DeMatis acting for the purchaser, and Torkin Manes, regarding 101 Innovation Drive; email correspondence with J. Sieverd of CMI regarding Connect Cabling; telephone discussion with S. Zuk of Torkin Manes regarding closing book matters; issue update email to the Bank; arrangements regarding removal of items from property before closing of sale transaction; discussions with A. Koroneos; comments to A. Koroneos regarding call/meeting agenda.	4.3	2.6	0.7	1.1	4.3
7/13/2015	Koroneos, Anna	On-site attendance at 101 Innovation Drive, review records and arrange transportation and storage of same; correspondence with N. Guyatt with respect to items on-site; call to counsel and draft agenda call; discussion with records management and with administration on pick up; organize storage of records.	5.0	2.5	0.0	2.5	5.0
7/14/2015	Casey, Paul	Attend call with the Bank and counsel regarding status of receivership, discussion A. Koroneos regarding removal of books and records from 101 Innovation Drive.	0.6	0.0	0.0	0.6	0.6
7/14/2015	Damiani, Stefano	On-site attendance at NTL's premises; make arrangements for disposal of items in advance of closing of sale transaction for 101 Innovation Drive; attendance on conference call with the Bank and counsel; email correspondence with K. Mahar of TGF with respect to 101 Innovation Drive, Addition Associates' second charge, other; follow up e-mail to CMI regarding Featurecom; telephone and email correspondence with S. Zuk of Torkin Manes; instructions to R. Brown; attend at the offices of Torkin Manes to review and execute closing book documents.	6.3	4.7	0.3	1.3	6.3

Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
7/14/2015	Koroneos, Anna	On-site at 101 Innovation Drive to attend to prepare property for sale transaction closing and arrange for transfer of records; emails and calls to utilities to take final readings; with R. Brown on payments; conference call with counsel and the Bank on status and going forward	5.5	2.8	0.0	2.8	5.5
7/15/2015	Casey, Paul	Meeting S. Damiani to discuss real estate closing; purchaser refusal to sign waiver of conditions; discuss next steps and open points for distribution motion; review Connect Cabling correspondence.	1.0	0.5	0.2	0.4	1.0
7/15/2015	Damiani, Stefano	Review e-mail correspondence by the Purchaser's legal counsel and Torkin Manes regarding closing book documents and waiver; telephone and e-mail correspondence with S. Zuk of Torkin Manes; discussion with P. Casey; review e-mail from E. Richardson regarding Gusto and Episolar, and send email to the Bank on same; execute amended joint confirmation of conditions regarding 101 Innovation Drive; banking instructions to R. Brown and Torkin Manes regarding closing proceeds; review amended settlement agreement initiated by A. Quinto of Connect Cabling, and provide comments to collection agency; emails with D. Glen of CMI regarding Featurecom; telephone discussion with J. Seivard of CMI regarding Connect Cabling; telephone discussion and emails with A. Riches of Torkin Manes regarding closing matters; review letter from A. Price, counsel to Addition Associates, and comments to S. Zuk of Torkin Manes on same; reporting email to the Bank; email to C. Lee of the Bank regarding NIT's indebtedness to the Bank; execute amended agreement with Connect Cabling, and email instructions to collection agency on same; emails with K. Mahar of TGF.	5.4	3.0	1.9	0.5	5.4
7/16/2015	Brown, Rose	Trust banking administration, disbursement cheques and deposit.	0.6	0.0	0.0	0.6	0.6
7/16/2015	Damiani, Stefano	Email correspondence with E. Haynes of Marsh Insurance regarding final insurance invoice for 101 Innovation Drive; review email from A. Riches of Torkin Manes regarding trust reconciliation and statement of adjustments, and provide instructions to R. Brown on same.	0.7	0.7	0.0	0.0	0.7
7/17/2015	Damiani, Stefano	Review email from E. Haynes of Marsh Insurance; emails with D. Glen of CMI.	0.2	0.1	0.1	0.0	0.2
7/20/2015	Casey, Paul	Meeting S. Damiani to discuss action plan and distribution/allocation methodology.	0.2	0.0	0.0	0.2	0.2

Date	Professional	Description	Hours	Allocation of Time			
				Vaughan Property	Personal Property	General	Total
7/20/2015	Damiani, Stefano	Banking instructions to R. Brown; email to TGF regarding interim account; email and telephone correspondence with CMI regarding Connect Cabling; review package from Connect Cabling regarding settlement funds, and send reporting email to the Bank; additional emails with CMI regarding other accounts receivable; email to S. Zuk of Torkin Manes regarding Addiction Associates; email to TGF regarding settlement with Connect Cabling.	1.8	0.1	1.4	0.4	1.8
7/20/2015	Brown, Rose	Trust Banking Administration; deposit.	0.3	0.0	0.0	0.3	0.3
7/22/2015	Casey, Paul	Review transcript of Goldberg Court submissions for Innovation Drive sale approval; email to counsel.	0.3	0.0	0.0	0.3	0.3
7/22/2015	Damiani, Stefano	E-mails with TGF and P. Casey; review transcript of Court hearing on June 30, 2015; email to J. Borch of the Bank with respect to the Bank's charge on 101 Innovation Drive; emails with S. Zuk of Torkin Manes and K. Mahar of TGF regarding Addiction Associates; telephone call with K. Mahar of TGF regarding Court report to support distribution motion, and Addiction Associates's second mortgage charge; telephone discussion with Enbridge regarding final account for 101 Innovation Drive; banking instructions to R. Brown; emails with collection agency regarding settlement negotiations (Featurecom).	1.6	0.4	0.4	0.8	1.6
7/22/2015	Brown, Rose	Trust Banking Administration; disbursement cheques.	0.4	0.0	0.0	0.4	0.4
7/23/2015	Casey, Paul	Meeting S. Damiani to discuss future court report, allocation of direct and indirect costs and fees, other distribution activities.	0.5	0.0	0.0	0.5	0.5
7/24/2015	Damiani, Stefano	Email and telephone correspondence with J. Borch of the Bank; review updated schedule of indebtedness to the Bank.	0.7	0.0	0.0	0.7	0.7
7/28/2015	Damiani, Stefano	Follow-up email to D. Glen of CMI regarding invoice; email correspondence with S. Zuk of Torkin Manes regarding legal opinion on second charge.	0.3	0.2	0.2	0.0	0.3
7/29/2015	Damiani, Stefano	Review security documentation provided by Addiction Associates counsel to Torkin Manes, and emails to S. Zuk; emails with representatives of collection agency; telephone discussion with S. Zuk of Torkin Manes; review email from K. Mahar of TGF; telephone discussion with J. Borch of the Bank; email to K. Mahar of TGF regarding security.	1.6	0.4	0.4	0.0	1.6
7/30/2015	Damiani, Stefano	Review invoice from Marsh regarding insurance, and instructions to R. Brown on same; commence allocation analysis for upcoming distribution motion.	2.2	0.1	0.0	2.1	2.2

Date	Professional	Description	Hours
7/31/2015	Damiani, Stefano	Analysis relating to upcoming distribution; file administration.	2.0
<b>Total</b>			<b>77.1</b>

Allocation of Time			
Vaughan Property	Personal Property	General	Total
0.0	0.0	2.0	2.0
<b>Total</b>			<b>77.1</b>

23.3	13.2	40.6	77.1
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*Summary of Professional Fees*

Professional	Position	Hours	Hourly Rate	Amount
Casey, Paul	Senior Vice President	6.2	\$600	\$ 3,720.00
Hristow, Catherine	Director	0.0	\$525	-
Damiani, Stefano	Vice President	40.9	\$470	19,223.00
Koroneos, Anna	Manager	26.5	\$350	9,275.00
Brown, Rose	Trust Administrator	3.5	\$110	385.00
Casey, Brian	Manager, Forensics	0.0	\$350	-
Ngai, Bosco Jun	Analyst, Forensics	0.0	\$142	-
Yick, Roger	Senior Consultant, Forensics	0.0	\$250	-
<b>Total professional hours and fees before HST</b>				<b>\$ 32,603.00</b>
<b>HST on professional fees</b>				<b>4,238.30</b>
<b>Total professional fees (inclusive of HST)</b>				<b>\$ 36,841.30</b>

*Allocation of Professional Fees*

Professional	Position	Hourly Rate	Vaughan Property		Personal Property		General		Total	
			Hours	Invoice Amount	Hours	Invoice Amount	Hours	Invoice Amount	Hours	Invoice Amount
Casey, Paul	Senior Vice President	\$600	0.5	\$ 300	0.2	\$ 90	5.6	\$ 3,330	6.2	\$ 3,720
Hristow, Catherine	Director	\$525	-	-	-	-	-	-	-	-
Damiani, Stefano	Vice President	\$470	17.3	8,122	8.6	4,061	15.0	7,041	40.9	19,223
Koroneos, Anna	Manager	\$350	5.6	1,943	4.4	1,551	16.5	5,782	26.5	9,275
Brown, Rose	Trust Administrator	\$110	-	-	-	-	3.5	385	3.5	385
Casey, Brian	Manager, Forensics	\$350	-	-	-	-	-	-	-	-
Ngai, Bosco Jun	Analyst, Forensics	\$142	-	-	-	-	-	-	-	-
Yick, Roger	Senior Consultant, Forensics	\$250	-	-	-	-	-	-	-	-
<b>Total professional hours and fees before HST</b>			23.3	\$ 10,364	13.2	\$ 5,701	40.6	\$ 16,538	77.1	\$ 32,603
<b>HST on professional fees</b>			-	-	-	-	-	-	-	-
<b>Total professional fees (inclusive of HST)</b>			23.3	\$ 11,711	13.2	\$ 6,442	40.6	\$ 18,687	77.1	\$ 36,841

National Telecommunications Inc.  
 Invoice #5 of the Receiver  
 Allocation of Professional Fees (Excluding Disbursements)  
 For the period August 1, 2015 to August 31, 2015

Allocation of Time				
Vaughan Property	Personal Property	General	Total	
0.0	0.0	1.0	1.0	
0.2	0.0	0.6	0.8	
0.1	0.0	2.5	2.6	
0.0	0.0	3.3	3.3	
0.0	0.2	3.1	3.3	
0.0	0.0	0.5	0.5	
0.0	0.0	3.6	3.6	
0.0	0.0	0.6	0.6	
0.0	0.2	4.2	4.4	

Date	Professional	Description	Hours
7/8/2015	Koroneos, Anna	Emails and calls to property manager of 101 Innovation Drive to obtain and invoice and Certificate of Standing and with S. Damiani on same; with Bell Canada on service cancellation and final billing; with R. Brown on reconciling what was paid to Bell and the difference owing. *(time not captured on prior account)	1.0
8/4/2015	Damiani, Stefano	Review property tax bill re 101 Innovation Drive, and e-mail correspondence with J. De Matteis, the purchaser's counsel, on same; instructions to N. Wilson regarding file administration.	0.8
8/6/2015	Damiani, Stefano	E-mail to S. Zuk of Torkin Manes LLP ("TM"); commence review and amend interim account package, prepare analysis; file administration.	2.6
8/7/2015	Damiani, Stefano	Prepare interim account package to June 26, 2015 and related analysis; file administration.	3.3
8/10/2015	Damiani, Stefano	Meeting with P. Casey on file status; call and e-mails with K. Mahar of Thornton Grouit Finnigan LLP ("TGF"); e-mail to J. Sieverd of CMI regarding accounts receivable collections ("AR"); review estate general ledger report; prepare updated statement of receipts and disbursements ("R&D"); attend conference call with legal counsel and P. Casey; file administration.	3.3
8/10/2015	Casey, Paul	Attend conference call with TGF re: distribution motion and fee/cost allocation methodologies.	0.5
8/11/2015	Damiani, Stefano	Prepare interim account package and analysis; meeting with P. Casey; distribution analysis; file administration; instructions to N. Wilson;	3.6
8/12/2015	Casey, Paul	Meeting with S. Damiani to review R&D and allocation of fees and costs; account correspondence.	0.6
8/12/2015	Damiani, Stefano	Prepare interim account, submit to P. Casey; prepare allocation analysis, and meeting with P. Casey on same; prepare schedule and e-mail to K. Mahar re: same; draft correspondence to the HSBC Bank Canada (the "Bank"); review accounts of TGF and TM; banking instructions to R. Brown; additional file administration with respect to the 3rd and 4th interim accounts of the receiver; instructions to N. Wilson; review e-mail to D. Glen of CMI re collection activity.	4.4

	Allocation of Time			
	Vaughan Property	Personal Property	General	Total
	0.0	0.5	4.1	4.6
	0.0	0.0	0.3	0.3
	0.0	0.0	0.2	0.2
	0.0	0.0	1.6	1.6
	0.0	0.0	3.1	3.1
	0.0	0.0	0.1	0.1
	0.0	0.0	0.3	0.3
	0.0	0.0	0.8	0.8
	0.1	0.0	0.0	0.1
	0.2	0.0	0.0	0.2
	0.0	0.1	0.0	0.1
	0.0	0.1	0.0	0.1
	0.0	0.0	0.5	0.5
	0.0	1.3	4.0	5.3
	0.0	0.0	1.5	1.5
	0.0	0.0	1.0	1.0
	0.0	0.0	1.9	1.9

Date	Professional	Description	Hours
8/13/2015	Damiani, Stefano	Review e-mails from K. Mahar and P. Casey; amend allocation schedule; review correspondence with D. Glen regarding A/R collections; commence drafting Second Report to Court Report ("Second Report").	4.6
8/13/2015	Brown, Rose	Trust Banking Administration - Disbursement cheques.	0.3
8/14/2015	Casey, Paul	Meeting with S. Damiani regarding status of court report.	0.2
8/14/2015	Damiani, Stefano	E-mail correspondence with TM regarding status of closing book; telephone discussion with K. Mahar; banking matters with R. Brown; file administration;	1.6
8/17/2015	Damiani, Stefano	Banking instructions to R. Brown; review e-mail correspondence from the Bank and P. Casey; update actual and forecast R&D schedules, allocation analysis, and detailed e-mail to P. Casey on same; review e-mail	3.1
8/17/2015	Brown, Rose	Estate Administration - e-mail creditor packages as requested.	0.1
8/17/2015	Casey, Paul	Email the Bank re: distribution motion; discussion with	0.3
8/18/2015	Damiani, Stefano	E-mail correspondence with P. Casey with respect to R&D; e-mail correspondence and telephone discussion with K. Mahar; amendments to R&D, e-mail to counsel.	0.8
8/19/2015	Damiani, Stefano	Review e-mail from K. Mahar to counsel to Addiction Associates.	0.1
8/20/2015	Damiani, Stefano	E-mail from TM regarding closing book re 101 Innovation Drive sale, and instructions to R. Brown on same;	0.2
8/25/2015	Damiani, Stefano	Review e-mail correspondence with D. Glen of CMI re A/R collection status re: Telquest;	0.1
8/26/2015	Damiani, Stefano	Banking instructions to R. Brown on CMI invoice re A/R commission;	0.1
8/26/2015	Brown, Rose	Estate Administration - Disbursement cheques.	0.5
8/27/2015	Damiani, Stefano	Telephone and e-mail correspondence with J. Sievard of CMI re two customers, and banking instructions to R. Brown on same; update the R&D, and prepare schedule for the Second Report; amendments to the Second Report, and telephone call with P. Casey on same; e-mail to A. Koroneos on affidavit of fees; e-mail to TM and TGF regarding affidavit of fees.	5.3
8/27/2015	Casey, Paul	Review and swear Affidavit of Fees; attend to court report matters; telephone discussion with S. Damiani and discuss the court report.	1.5
8/28/2015	Casey, Paul	Review and comment on Second Report.	1.0
8/28/2015	Damiani, Stefano	Telephone discussion with A. Koroneos regarding R&D; review P. Casey comments on Second Report, and amend accordingly; e-mail draft Second Report to TGF; review affidavit of fees sworn by S. Zuk, and comments to TM on same;	1.9

Date	Professional	Description	Hours
8/31/2015	Damiani, Stefano	Review e-mail correspondence from K. Mahar and G. Moffat of TGF; telephone discussion with G. Moffat; amend the Second Report and e-mail to C. Hristow with respect to QA review;	0.9
8/31/2015	Koroneos, Anna	Review of e-mail correspondence re: credit on an NTT account and request credit payment to be payable to Receiver.	0.3
8/31/2015	Brown, Rose	Trust banking administration – deposit of Connect Cabling installement.	0.5

**Total** 43.5

Allocation of Time			
Vaughan Property	Personal Property	General	Total
0.0	0.0	0.9	0.9
0.0	0.3	0.0	0.3
0.0	0.0	0.5	0.5

**Total** 0.7 2.7 40.2 43.5

*Summary of Professional Fees*

Professional	Position	Hours	Hourly Rate	Amount
Casey, Paul	Senior Vice President	4.1	\$600	\$ 2,460.00
Hristow, Catherine	Director	0.0	\$525	-
Damiani, Stefano	Vice President	36.7	\$470	17,249.00
Koroneos, Anna	Manager	1.3	\$350	455.00
Brown, Rose	Trust Administrator	1.4	\$110	154.00
Casey, Brian	Manager, Forensics	0.0	\$350	-
Ngai, Bosco Jun	Analyst, Forensics	0.0	\$142	-
Yick, Roger	Senior Consultant, Forensics	0.0	\$250	-
<b>Total professional hours and fees before HST</b>				<b>\$ 20,318.00</b>
HST on professional fees				2,641.34
<b>Total professional fees (inclusive of HST)</b>				<b>\$ 22,959.34</b>

*Allocation of Professional Fees*

Professional	Position	Hourly Rate	Vaughan Property		Personal Property		General		Total	
			Hours	Invoice Amount	Hours	Invoice Amount	Hours	Invoice Amount	Hours	Invoice Amount
Casey, Paul	Senior Vice President	\$600	-	\$ -	-	\$ -	4.1	\$ 2,460	4.1	\$ 2,460
Hristow, Catherine	Director	\$525	-	-	-	-	-	-	-	-
Damiani, Stefano	Vice President	\$470	0.7	315	2.4	1,119	33.7	15,816	36.7	17,249
Koroneos, Anna	Manager	\$350	-	-	0.3	105	1.0	350	1.3	455
Brown, Rose	Trust Administrator	\$110	-	-	-	-	1.4	154	1.4	154
Casey, Brian	Manager, Forensics	\$350	-	-	-	-	-	-	-	-
Ngai, Bosco Jun	Analyst, Forensics	\$142	-	-	-	-	-	-	-	-
Yick, Roger	Senior Consultant, Forensics	\$250	-	-	-	-	-	-	-	-
<b>Total professional hours and fees before HST</b>			<b>0.7</b>	<b>\$ 315</b>	<b>2.7</b>	<b>\$ 1,224</b>	<b>40.2</b>	<b>\$ 18,780</b>	<b>43.5</b>	<b>\$ 20,318</b>
HST on professional fees			41	159	159	2,441	2,441	2,441	2,641	2,641
<b>Total professional fees (inclusive of HST)</b>			<b>\$ 356</b>	<b>\$ 356</b>	<b>\$ 1,383</b>	<b>\$ 21,221</b>	<b>\$ 22,959</b>	<b>\$ 22,959</b>	<b>\$ 22,959</b>	<b>\$ 22,959</b>

**National Telecommunications Inc.**  
**Allocation of Professional Fees (Excluding Disbursements)**  
**Invoices #6 and #7 of the Receiver and Estimate to Completion**  
**For the period September 1, 2015 to Completion**

<b>Invoice #6</b>									
<b>Summary of Professional Fees and Allocation</b>									
<b>For the period from September 1, 2015 to October 31, 2015</b>					<b>Allocation of Time</b>				
					<b>Vaughan Property</b>	<b>Personal Property</b>	<b>General</b>	<b>Total</b>	
<b>Professional</b>	<b>Position</b>	<b>Hours</b>	<b>Hourly Rate</b>	<b>Amount</b>	<b>0%</b>	<b>10%</b>	<b>90%</b>		
Casey, Paul	Senior Vice President	0.5	\$600	\$ 300.00					
Hristow, Catherine	Director	0.7	\$525	367.50					
Damiani, Stefano	Vice President	13.8	\$470	6,486.00					
Koroneos, Anna	Manager	0.0	\$350	-					
Brown, Rose	Trust Administrator	1.0	\$110	110.00					
Casey, Brian	Manager, Forensics	0.0	\$350	-					
Ngai, Bosco Jun	Analyst, Forensics	0.0	\$142	-					
Yick, Roger	Senior, Forensics	0.0	\$250	-					
Total professional hours and fees before HST		<u>16.0</u>		\$ 7,263.50	\$ -	\$ 726.35	\$ 6,537.15	\$ 7,263.50	
HST on professional fees				944.26	-	94.43	849.83	944.26	
Total professional fees (inclusive of HST)				<u>\$ 8,207.76</u>	<u>\$ -</u>	<u>\$ 820.78</u>	<u>\$ 7,386.98</u>	<u>\$ 8,207.76</u>	

<b>Invoice #7</b>									
<b>Summary of Professional Fees and Allocation</b>									
<b>For the period from November 1, 2015 to November 30, 2015</b>					<b>Allocation of Time</b>				
					<b>Vaughan Property</b>	<b>Personal Property</b>	<b>General</b>	<b>Total</b>	
<b>Professional</b>	<b>Position</b>	<b>Hours</b>	<b>Hourly Rate</b>	<b>Amount</b>	<b>0%</b>	<b>10%</b>	<b>90%</b>		
Casey, Paul	Senior Vice President	6.0	\$600	\$ 3,600.00					
Hristow, Catherine	Director	0.0	\$525	-					
Damiani, Stefano	Vice President	14.1	\$470	6,627.00					
Koroneos, Anna	Manager	0.7	\$350	245.00					
Brown, Rose	Trust Administrator	0.8	\$110	88.00					
Casey, Brian	Manager, Forensics	0.0	\$350	-					
Ngai, Bosco Jun	Analyst, Forensics	0.0	\$142	-					
Yick, Roger	Senior, Forensics	0.0	\$250	-					
Total professional hours and fees before HST		<u>21.6</u>		\$ 10,560.00	\$ -	\$ 1,056.00	\$ 9,504.00	\$ 10,560.00	
HST on professional fees				1,372.80	-	137.28	1,235.52	1,372.80	
Total professional fees (inclusive of HST)				<u>\$ 11,932.80</u>	<u>\$ -</u>	<u>\$ 1,193.28</u>	<u>\$ 10,739.52</u>	<u>\$ 11,932.80</u>	

<b>Summary of Estimated Professional Fees</b>									
<b>For the period from December 1, 2015 to Completion</b>					<b>Allocation of Time</b>				
					<b>Vaughan Property</b>	<b>Personal Property</b>	<b>General</b>	<b>Total</b>	
<b>Professional</b>				<b>Estimate</b>	<b>0%</b>	<b>10%</b>	<b>90%</b>		
Total professional fees before HST				\$ -	\$ -	\$ 1,217.70	\$ 10,959.30	\$ 12,177.00	
HST on professional fees				-	-	158.30	1,424.71	1,583.01	
Total professional fees (inclusive of HST)				<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,376.00</u>	<u>\$ 12,384.01</u>	<u>\$ 13,760.01</u>	



Court File No.

CV-15-10921-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

BETWEEN:

HSBC BANK CANADA

Applicant

and

NATIONAL TELECOMMUNICATIONS INC.

Respondent

FIRST BILL OF COSTS OF THE SOLICITORS TO THE COURT  
APPOINTED RECEIVER AND MANAGER

For the period ending April 30, 2015

Apr-23-15	Telephone call with S. Damani; review appointment order;	0.30	G <sup>1</sup>	GBM
	Consider right to compel access to email account;	0.20	G	GBM
Apr-24-15	Review draft flyer for inventory sale; telephone call with S. Damiani regarding same; revise notice of inventory sale;	0.60	P	GBM
	Revise letter to account debtor; review underlying invoices;	0.20	G	GBM
Apr-27-15	Review appointment order; revise draft letter to Blackrun Inc.;	0.30	G	GBM
	Revise correspondence to debtor regarding privilege attaching to records; consider protocol to review privileged communication;	0.40	G	GBM
Apr-28-15	Review correspondence from P. Casey regarding status of asset recovery efforts;	0.20	G	GBM

1. For allocation purposes, P = Personal Property, V = Vaughan Property and G = General category.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Grant B. Moffat	2.20	\$750.00	1,650.00
<b>TOTAL FEE HEREIN</b>			<b>\$1,650.00</b>
<b>HST on Fees</b>			<b><u>\$214.50</u></b>
<b>Total Fees and HST</b>			<b>\$1,864.50</b>
<b>OUR ACCOUNT HEREIN</b>			<b><u>\$1,864.50</u></b>

**ThorntonGroutFinnigan LLP**

Per: \_\_\_\_\_  
Grant B. Moffat

HST No. 87042 1039RT  
Matter No. 533-035  
Invoice No. 29324  
Date: May 22/15

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6.00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

Court File No.

CV-15-10921-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**BETWEEN:**

**HSBC BANK CANADA**

**Applicant**

**and**

**NATIONAL TELECOMMUNICATIONS INC.**

**Respondent**

**SECOND BILL OF COSTS OF THE SOLICITORS TO THE COURT  
APPOINTED RECEIVER AND MANAGER**

**For the period ending May 31, 2015**

May-01-15	Review revised offer to purchase condominium; telephone call with S. Damiani regarding same;	0.40	V <sup>1</sup>	GBM
May-04-15	Draft Agreement of Purchase and Sale ("APS") for condo property;	2.40	V	GBM
	Telephone call with S. Damiani regarding revisions to condo sale agreement;	0.30	V	GBM
	Prepare and revise Agreement of Purchase and Sale;	1.00	V	AF
May-05-15	Review revisions to sale agreement from A. English; telephone call with A. English regarding same;	0.50	V	GBM
	Telephone call with S. Damiani regarding sale agreement;	0.20	V	GBM
	Review invoices and email exchanges with Futurecom; review and revise demand letter; telephone call with S. Damiani regarding same;	0.60	P	GBM
May-07-15	Review offer to purchase inventory;	0.30	P	GBM
	Draft Bill of Sale;	0.50	P	GBM
May-15-15	Telephone call with A. Koroneos and S. Damiani regarding correspondence to solicitor for purchaser regarding Brampton property;	0.30	G	GBM
May-20-15	Telephone call with A. Koroneos regarding access to email accounts; review correspondence from N. Guyait regarding same;	0.20	G	GBM
May-21-15	Review and revise correspondence to account debtor; correspondence with P. Casey regarding review of email account;	0.40	P	GBM G

	Revise forklift bill of sale; review PPSA search; correspondence with S. Damiani regarding same;	0.30	P	GBM
	Telephone call with solicitor for second mortgagee; telephone call with S. Damiani;	0.30	V	GBM
	Telephone call with S. Damiani regarding sale of building;	0.20	V	GBM
May-26-15	Review correspondence from Blacksun; telephone call with A. Koroneos regarding same;	0.20	G	GBM
	Correspondence to Blacksun Inc.;	0.40	G	GBM

1. For allocation purposes, P = Personal Property, V = Vaughan Property and G = General category.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>	
Grant B. Moffat	7.50	\$750.00	5,625.00	
Annette Fournier (Law Clerk)	1.00	\$250.00	250.00	
<b>TOTAL FEE HEREIN</b>			<b>\$5,875.00</b>	
<b>HST on Fees</b>			<b>\$763.75</b>	
<b>Total Fees and HST</b>				<b>\$6,638.75</b>
<b><u>Disbursements:</u></b>				
Fee for searches/registrations			\$102.00	
Disbursements for searches/registrations*			\$103.17	
<b>Total Taxable Disbursements</b>			<b>\$102.00</b>	
<b>HST on Disbursements</b>			<b>\$13.26</b>	
<b>Total Non-Taxable Disbursements</b>			<b>\$103.17</b>	
<b>Total Disbursements and HST</b>				<b>\$218.43</b>
<b>Total Fees, Disbursements &amp; HST</b>				<b>\$6,857.18</b>
<b>OUR ACCOUNT HEREIN</b>				<b>\$6,857.18</b>

**ThorntonGroutFinnigan LLP**

Per: \_\_\_\_\_  
Grant B. Moffat

HST No. 87042 1039RT  
Matter No. 533-035  
Invoice No. 29391  
Date: Jun 10/15

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**BETWEEN:****HSBC BANK CANADA****Applicant****and****NATIONAL TELECOMMUNICATIONS INC.****Respondent**

**THIRD BILL OF COSTS OF THE SOLICITORS TO THE COURT  
APPOINTED RECEIVER AND MANAGER**

**For the period ending June 30, 2015**

Jun-02-15	Review correspondence from purchaser's solicitor regarding waiver of condition; correspondence with A. English regarding sale; review correspondence from solicitor for second mortgagee;	0.20	V <sup>1</sup>	GBM
Jun-04-15	Review correspondence from purchaser regarding closing; review sale agreement;	0.20	V	GBM
	Telephone call with S. Damiani regarding sale approval motion;	0.20	G	GBM
	Telephone call with S. Damiani regarding extension of closing date; meeting with K. Mahar regarding security review;	0.20	V	GBM
	Meeting with G. Moffat regarding security review; telephone call to S. Damiani regarding real property security review language; email to S. Damiani regarding real estate opinion;	0.30	V	KM
	Conduct corporate, PPSA, bankruptcy, Bank Act and execution searches;	0.30	P	AF
Jun-05-15	Telephone call with S. Damiani regarding sale transaction and security review;	0.10	V	KM
Jun-07-15	Undertake security review in respect of HSBC Bank Canada's security including GSA, GABD, PPSA searches and corporate searches; email to S. Damiani confirming HSBC holds valid and enforceable security and advising as to timing of written opinion;	1.20	P	KM
Jun-08-15	Email exchange from S. Damiani regarding Torkin Manes LLP legal opinion in respect of real estate security held by HSBC Bank Canada and review same;	0.20	V	KM
Jun-09-15	Telephone call with A. Price; review correspondence from Receiver regarding sale agreement;	0.20	V	GBM

	Prepare and finalize security opinion in respect of HSBC Bank Canada's personal property security; issue same to Receiver;	1.80	P	KM
Jun-10-15	Review correspondence from S. Damiani regarding Connect settlement; review appointment order;	0.20	P	GBM
Jun-11-15	Draft Connect settlement agreement;	1.50	P	GBM
	Review Connect invoices; review correspondence from S. Damiani regarding settlement terms;	0.40	P	GBM
	Prepare Minutes of Settlement, Release and Consent Judgment regarding Connect Cabling; draft fee affidavit and exhibits thereto; forward materials to client for review;	2.50	P	AF
Jun-12-15	Revise Connect settlement agreement; telephone call with S. Damiani regarding same;	0.40	P	GBM
	Review security regarding fee recovery;	0.20	P	GBM
	Revise Connect Minutes of Settlement;	0.30	P	AF
Jun-15-15	Discussion with G. Moffat regarding sale approval motion; email to S. Damiani regarding coordinating call to discuss timing of report and booking Court time; coordinate determination of Court availability;	0.20	G	KM
Jun-16-15	Review available Court time; email exchange with S. Damiani regarding coordinating call to discuss timing of motion;	0.20	G	KM
Jun-17-15	Conference call with S. Damiani regarding sale approval motion; review agreement of purchase and sale; instructions to B. Brinkman regarding preparation of Service List; prepare Commercial List Request form regarding June 30th Court date; email from S. Damiani regarding amounts chargeable under collateral mortgage; circulate draft Commercial List Request form to S. Damiani; emails from S. Damiani regarding requesting updated indebtedness of HSBC Bank Canada; email exchange with S. Damiani regarding information for preparation of Service List; email from S. Damiani providing correspondence to Addiction Associates in respect of request for security documentation in order to review security of Addiction Associates; email to S. Damiani regarding recent counsel; correspondence from Addiction Associates; email to S. Damiani providing Fee Affidavit of G. Moffat; email from S. Damiani providing HSBC Bank Canada's Service List from initial application; additional emails with S. Damiani regarding proper service address for various parties and coordinating date for motion; preparing draft approval and vesting order; emails with S. Damiani confirming June 30 date for motion;	0.5 1.2	V G	KM KM

	Preparation of Service List; review of PPSA to assist in preparing Service List; review various emails from K. Mahar regarding additional parties for Service List;	0.50	G	BJB
Jun-18-15	Review correspondence from A. Koroneos regarding return of trust funds; letter to J. Cirillo;	0.30	G	GBM
	Telephone call with M. Nowina regarding timing for Sale Approval Motion and executing Commercial List Form on his behalf; finalizing Commercial List Request form and email same to S. Damiani; email from HSBC Bank Canada providing payout amounts as at June 18th; email from S. Damiani providing Addiction Associates payout statement as at June 18th; email exchange with S. Damiani regarding secured indebtedness under various security; provide preliminary views in respect of same; email from S. Damiani regarding cost incurred to date and secured indebtedness; email exchange with S. Damiani regarding whether Receiver obtained security opinion and proof of advances in respect of second secured creditor on real property; telephone call with S. Damiani regarding analysis to be undertaken and timing of same; email exchange with S. Zuk regarding HSBC Bank Canada collateral mortgage and charge terms; review same; emails with S. Damiani regarding potential for interim distribution; emails with HSBC Bank Canada and Receiver regarding indebtedness and fees incurred to date; email from S. Damiani enclosing draft First Report; review charge, confirm mortgages collateral mortgage for determination of amounts secured thereunder; telephone call with S. Damiani;	1.20	G	KM
		0.4	V	KM
	Office conference with K. Mahar; preparation of Commercial List Request Form; forward Commercial List Request Form to Commercial List Office; email from Commercial List Office confirming motion has been booked for June 30;	0.30	G	BJB
Jun-19-15	Email from S. Damiani regarding schedules of indebtedness and review same; emails with S. Damiani regarding coordinating call; email from S. Damiani providing fee affidavits for First Report and review same; email from S. Damiani regarding fees to date; conference call with S. Damiani regarding Sale Approval Motion, timing and potential for interim distribution and preparation of statements of receipts and disbursements; email from S. Damiani providing draft statement of receipts and disbursements; review and consider same; telephone call with S. Zuk regarding real property security opinion;	1.50	G	KM
Jun-21-15	Review Receiver's First Report and prepare handwritten markup of preliminary comments; circulate same to S. Damiani;	1.90	G	KM
Jun-22-15	Review Receiver's Report;	0.60	G	GBM
	Conference call with P. Casey, S. Damiani and K. Mahar regarding report to Court;	1.00	G	GBM



	Continue review and consideration of Receiver's First Report and revise and provide comments in respect of same; circulate markup to Receiver's Report; emails coordinating timing of call to review Report with Receiver; conference call with P. Casey, S. Damiani and G. Moffat regarding Report to Court; email from P. Casey providing Endorsement of Justice Conway in respect of Initial Application; revising draft Report based on conference call and circulating revised Report to Receiver; telephone call to S. Zuk regarding opinion; email from S. Zuk regarding same; email to S. Damiani regarding clarified opinion; email from S. Damiani regarding email sent to N. Guyatt regarding assignment in bankruptcy; email exchange S. Damiani regarding coordinating call with S. Zuk; email from S. Damiani enclosing revised First Report; drafting Order regarding other relief sought in motion; review and revise Approval and Vesting Order; circulate draft Orders to Receiver for review;	4.40	G	KM
Jun-23-15	Conference call with P. Casey, S. Damiani and HSBC regarding sale approval motion;	0.50	G	GBM
	Telephone call with P. Casey and S. Damiani regarding report to court;	0.20	G	GBM
	Email exchange with S. Damiani regarding timing of further draft of Report; emails regarding security documents needed from Addiction Associates to review security; email from S. Damiani enclosing blackline of First Report; review same and coordinate call to discuss finalizing First Report; email from S. Zuk enclosing Torkin Manes opinion letter and document received from A. Price's office regarding terms of agreement extending charge/mortgage; review same; draft response to letter from A. Price and circulate to Receiver for review; emails with S. Damiani regarding finalizing letter; email from S. Damiani regarding review of Approval and Vesting Order; email from S. Damiani regarding review of other Order being sought; revise and circulate final Report for execution; draft Notice of Motion and circulate same to Receiver; email from S. Damiani providing R&D for Report and review same; email from S. Damiani regarding draft Notice of Motion; review Service List and request information for accountant Henry Goldberg to be included on Service List; finalize and issue letter to A. Price; review finalized Motion Record and email to Service List and coordinate service of same;	2.50	G	KM
		1.0	V	KM
	Office conference with K. Mahar; preparation of Motion Record, including exhibits to Report; review emails and make various amendments to documents; update Service List; finalize Motion Record and serve on Service List;	2.40	G	BJB
Jun-24-15	Email from P. Casey regarding initial response from N. Guyatt; emails regarding request from Bisceglia & Associates for copy of Motion Record;	0.20	G	KM
	Receive and review email from Bisceglia and Associates; email to K.	0.20	G	BJB

	Mahar regarding same; respond to email from Biscelegia and Associates;			
Jun-25-15	Telephone call from National Leasing; email exchange with S. Damiani regarding same; email from S. Damiani regarding closing correspondence in respect of Gusto International;	0.20	G	KM
	Review and respond to emails regarding Service List issues;	0.20	G	BJB
Jun-26-15	Email regarding Connect Cabling;	0.10	P	KM
Jun-29-15	Telephone call from M. Nowina regarding Court attendance; email exchange with Receiver regarding whether received any further response from N. Guyatt in respect of assignment in bankruptcy; email to Service List requesting confirmation as to whether any party intends to attend or take a position on motion; email from H. Goldberg advising he will attend; email to H. Goldberg to determine whether he is taking a position on motion; email exchange with S. Damiani regarding whether there is any changes in the timing of the closing of sale in preparation for the motion; review Motion Record in preparation for motion;	1.30	G	KM
Jun-30-15	Prepare for and attend motion before Justice Conway; extensive discussions with H. Goldberg regarding position of Addiction Associates being raised at Court; email to H. Goldberg enclosing letter to A. Price dated June 23, 2015; email to S. Zuk regarding whether Addiction Associates had provided information necessary for Torkin Manes to review real property security held by Addiction Associates; email from A. Koroneos enclosing Corporate Profile report of Addiction Associates; argue contested motion in front of Justice Conway; discussion with H. Goldberg regarding next steps and distribution motion if closing of real estate transaction occurs; attend Commercial List office to obtain issued and entered Orders; email from S. Zuk regarding information requested from Addiction Associates in order to review security; email to Service List enclosing Orders and Endorsement of Justice Conway; telephone call from J. Gianfranco regarding appeal period; email exchange with J. Gianfranco regarding same; email from S. Damiani regarding providing Order to N. Guyatt in respect of assignment in bankruptcy; telephone call with S. Damiani regarding timing of closing of transaction and emails regarding same;	3.5	V	KM
		1.6	G	KM

1. For allocation purposes, P = Personal Property, V = Vaughan Property and G = General category.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Kyla Mahar	25.50	\$575.00	14,662.50
Grant B. Moffat	6.30	\$750.00	4,725.00

Annette Fournier (Law Clerk)	3.10	\$250.00	775.00	
Bobbie-Jo Brinkman (Law Clerk)	3.60	\$250.00	900.00	
<b>TOTAL FEE HEREIN</b>			<b>\$21,062.50</b>	
<b>HST on Fees</b>			<b><u>\$2,738.13</u></b>	
<b>Total Fees and HST</b>				<b>\$23,800.63</b>
<b><u>Disbursements:</u></b>				
Couriers			\$30.95	
Fee for searches/registrations			\$39.00	
Photocopies			\$310.50	
Disbursements for searches/registrations*			\$10.00	
Filing of Motion Record*			\$127.00	
<b>Total Taxable Disbursements</b>			<b>\$380.45</b>	
<b>HST on Disbursements</b>			<b>\$49.46</b>	
<b>Total Non-Taxable Disbursements</b>			<b><u>\$137.00</u></b>	
<b>Total Disbursements and HST</b>				<b><u>\$566.91</u></b>
<b>Total Fees, Disbursements &amp; HST</b>				<b>\$24,367.54</b>
<b>OUR ACCOUNT HEREIN</b>				<b>\$24,367.54</b>

**Thornton Grout Finnigan LLP**

Per: \_\_\_\_\_  
Kyla E.M. Mahar

HST No. 87042 1039RT  
Matter No. 533-035  
Invoice No. 29537  
Date: Jul 22/15

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6.00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**BETWEEN:****HSBC BANK CANADA****Applicant****and****NATIONAL TELECOMMUNICATIONS INC.****Respondent**

**FOURTH BILL OF COSTS OF THE SOLICITORS TO THE COURT  
APPOINTED RECEIVER AND MANAGER**

**For the period ending July 31, 2015**

Jul-06-15	Emails regarding Service List; consider potential timing for distribution motion and information needed prior to being in position to prepare motion materials;	0.30	G <sup>1</sup>	KM
	Review various emails regarding changes to Service List; revise Service List accordingly;	0.20	G	BJB
Jul-07-15	Review decision of Justice Newbould referenced within decision of Justice Conway; telephone message with A. Price; email to and from Receiver regarding timing of closing of transaction and assignment in bankruptcy; telephone call with A. Price regarding potential for appeal and expected timing for closing of transaction and future motion for distribution; email to A. Price enclosing unofficial typed Endorsement of Justice Conway and decision of Justice Newbould referenced therein; email to Receiver providing update in respect of call with A. Price; email exchange with Receiver regarding considerations as to whether discharge of Receiver would be appropriate at time of distribution motion;	0.50	V	KM
		0.40	G	KM
Jul-08-15	Review correspondence regarding timing of closing; correspondence to J. Cirillo regarding trust funds;	0.20	G	GBM
	Telephone call with Receiver regarding bankruptcy of debtor and closing of transaction;	0.20	G	KM
Jul-10-15	Telephone call with A. Price regarding without prejudice discussions in respect of potential resolution of distribution motion and providing views that sale must be concluded before allocation analysis could occur;	0.30	G	KM
Jul-14-15	Email to Receiver regarding summary of without prejudice discussion with A. Price; telephone call with S. Zuk regarding real estate closing and request by Purchaser; email from S. Damiani enclosing Bankruptcy Certificate of Appointment of Debtor;	0.30	V	KM
		0.10	G	KM

Jul-15-15	Email from S. Zuk enclosing letter from A. Price; email exchange with S. Zuk regarding responding to Mr. Price's letter and receiving same and timing of closing of transaction; email from S. Damiani confirming transaction has closed; email to Receiver enclosing letter from A. Price and coordinating call to discuss same; email exchange with S. Damiani and S. Zuk regarding whether Addiction Associates provided documentation necessary to do security review; email from S. Damiani regarding obtaining breakdown of indebtedness; email from S. Damiani regarding closing of transaction and timing of receipt by Receiver of closing proceeds;	0.30	V	KM
Jul-16-15	Email from A. Price enclosing letter dated July 14, 2015; email to A. Price confirming sale has closed and coordinating to discuss timing with him next week;	0.20	V	KM
Jul-20-15	Email from S. Damiani enclosing Minutes of Settlement regarding Connect Cabling; emails with S. Damiani and S. Zuk regarding following up with Addiction Associates regarding need for security documentation; email to A. Price regarding coordinating call with Receiver and then being back in touch;	0.10	V	KM
		0.10	P	KM
Jul-22-15	Email exchange with S. Damiani coordinating call; email exchange with S. Damiani and S. Zuk regarding information required from Addiction Associates; email with S. Zuk enclosing email to sent to A. Price; conference call with S. Damiani regarding outstanding issues necessary to prepare Receiver's Report and next steps in receivership; discussions regarding allocation and need for opinion on Addiction Associates' security; email from S. Zuk regarding email exchange with S. Damiani and S. Zuk and evidence of advance of funds from Addiction Associates; further email exchange with S. Zuk regarding same;	0.70	V	KM
		0.40	G	KM
Jul-24-15	Email exchange with S. Damiani regarding security held by HSBC; telephone call with S. Damiani regarding same;	0.30	G	KM
Jul-28-15	Telephone call from and to A. Price; email to Receiver regarding timing on receiving final information for drafting of Report; email from S. Zuk enclosing correspondence and documents received from A. Price today; email from S. Damiani confirming request for legal opinion in respect of same; email to S. Damiani;	0.30	G	KM
Jul-29-15	Telephone call from A. Price regarding Receiver receiving information needed to do security review and expected timing of same and canvassing potential dates for distribution motion; email from S. Zuk enclosing legal opinion; email from S. Damiani regarding same;	0.20	V	KM
Jul-30-15	Email to S. Damiani;	0.10	G	KM

1. For allocation purposes, P = Personal Property, V = Vaughan Property and G = General category.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Grant B. Moffat	0.20	\$750.00	150.00
Kyla Mahar	4.80	\$575.00	2,760.00
Bobbie-Jo Brinkman (Law Clerk)	0.20	\$250.00	50.00
<b>TOTAL FEE HEREIN</b>			<b>\$2,960.00</b>
<b>HST on Fees</b>			<b><u>\$384.80</u></b>
<b>Total Fees and HST</b>			<b>\$3,344.80</b>
<b>Total Fees, Disbursements &amp; HST</b>			<b>\$3,344.80</b>
<b>OUR ACCOUNT HEREIN</b>			<b>\$3,344.80</b>

**Thornton Grout Finnigan LLP**

Per: \_\_\_\_\_

Kyla E.M. Mahar

HST No. 87042 1039RT  
Matter No. 533-035  
Invoice No. 29557  
Date: Aug 06/15

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

Court File No.

CV-15-10921-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

BETWEEN:

HSBC BANK CANADA

Applicant

and

NATIONAL TELECOMMUNICATIONS INC.

Respondent

FIFTH BILL OF COSTS OF THE SOLICITORS TO THE COURT  
APPOINTED RECEIVER AND MANAGER

For the period ending August 31, 2015

Aug-04-15	Review assumptions contained in opinion and documentation from Addiction Associates and email to S. Damiani regarding same;	0.20	V <sup>1</sup>	KM
Aug-06-15	Telephone call from A. Price regarding timing of motion for distribution; email to Receiver regarding coordinating call to discuss timing of report;	0.10	G	KM
Aug-08-15	Email to Receiver regarding coordinating time to discuss report and motion and response to A. Price;	0.10	G	KM
Aug-10-15	Telephone call with P. Casey and S. Damiani regarding distribution methodology;	0.40	G	GBM
	Telephone call with A. Price regarding distribution motion (.2); email to Receiver regarding coordinating call to discuss outstanding matters and timing; call with S. Damiani regarding outstanding issues and information to be prepared for report (.2); emails regarding coordinating call (.1); telephone call with P. Casey, S. Damiani and G. Moffat regarding distribution methodology (.4);	0.90	G	KM
Aug-12-15	Email to Receiver regarding update on analysis; email from S. Damiani providing calculation of allocation of Receiver's fees and disbursements under Receiver's Charge based on actual and forecast receipts and disbursements; consider same; brief email to S. Damiani regarding deficiencies;	0.30	G	KM
Aug-13-15	Email from P. Casey regarding allocation; email from S. Damiani providing further draft of allocation and consider same;	0.20	G	KM
G Aug-17-15	Telephone call to A. Price; email to S. Damiani;	0.10		KM

Aug-18-15	Email from S. Damiani enclosing R&D for receivership and review same; telephone call from and to A. Price regarding allocation undertaken by Receiver; telephone call with S. Damiani regarding draft allocation to be provided to A. Price on without prejudice basis and review and revising same with S. Damiani; email to A. Price providing draft realization analysis on without prejudice basis for review;	0.90	G	KM
Aug-26-15	Telephone message from B. Brinkman regarding discussion with A. Price and timing of receiving realization analysis; email exchange with B. Brinkman regarding realization analysis being sent on August 18th and requesting confirmation; email be re-forwarded to A. Price;	0.20	G	KM
Aug-30-15	Review and revise Second Report; consider distribution methodology; review receipts and disbursements statement;	1.00	G	GBM
Aug-31-15	Telephone call with S. Damiani regarding amendments to Second Report;	0.20	G	GBM
	Prepare fee affidavit for G. Moffat; office conference with G. Moffat;	0.50	G	BJB
	Review emails from Deloitte regarding Fee Affidavit and Court time; respond to same;	0.10	G	BJB

1. For allocation purposes, P = Personal Property, V = Vaughan Property and G = General category.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>	
Grant B. Moffat	1.60	\$750.00	1,200.00	
Kyla Mahar	3.00	\$575.00	1,725.00	
Bobbie-Jo Brinkman (Law Clerk)	0.60	\$250.00	150.00	
<b>TOTAL FEE HEREIN</b>			<b>\$3,075.00</b>	
<b>HST on Fees</b>			<b><u>\$399.75</u></b>	
<b>Total Fees and HST</b>				<b>\$3,474.75</b>
<b><u>Disbursements:</u></b>				
Computer Research			\$11.43	
Photocopies			\$1.25	
<b>Total Taxable Disbursements</b>			<b>\$12.68</b>	
<b>HST on Disbursements</b>			<b>\$1.65</b>	
<b>Total Non-Taxable Disbursements</b>			<b><u>\$0.00</u></b>	
<b>Total Disbursements and HST</b>				<b><u>\$14.33</u></b>
<b>Total Fees, Disbursements &amp; HST</b>				<b>\$3,489.08</b>
<b>OUR ACCOUNT HEREIN</b>				<b><u>\$3,489.08</u></b>



**Thornton Grout Finnigan LLP**

Per: \_\_\_\_\_  
Grant B. Moffat

HST No. 87042 1039RT

Matter No. 533-035  
Invoice No. 29689  
Date: Sep 23/15

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**BETWEEN:****HSBC BANK CANADA****Applicant****and****NATIONAL TELECOMMUNICATIONS INC.****Respondent**

**SIXTH BILL OF COSTS OF THE SOLICITORS TO THE COURT  
APPOINTED RECEIVER AND MANAGER**

**For the period ending October 31, 2015**

Sep-01-15	Office conference with G. Moffat regarding Fee Affidavit; finalize fee affidavit; call to Commercial List Office; email executed Fee Affidavit to Deloitte; call with Commercial List Office regarding additional time; email to client;	0.60	BJB
Sep-02-15	Review distribution schedule; correspondence with A. Price;	0.20	GBM
	Telephone call with A. Price regarding position on distribution motion; correspondence with Receiver regarding same;	0.40	GBM
	Email from G. Moffat regarding opposition to proposed distribution by Receiver;	0.10	KM
	Review and respond to emails from Deloitte;	0.20	BJB
Sep-10-15	Telephone call with P. Casey regarding allocation of costs;	0.20	GBM
	Discussion with G. Moffat regarding request for alternate allocation analysis from A. Price and email from G. Moffat regarding availability of Receiver for future motion for distribution;	0.10	KM
Sep-17-15	Telephone call with A. Price regarding timing of motion and advising allocation analysis requested has to be undertaken before motion is booked; email to P. Casey and S. Damiani regarding conversation with A. Price;	0.30	KM
Sep-22-15	Telephone calls from and to S. Damiani;	0.10	KM
Sep-23-15	Telephone call with S. Damiani;	0.20	KM

Sep-28-15      Email exchange with B. Brinkman regarding contacting A. Price and      0.10      KM  
advising of expected timing for allocation analysis from Receiver;

                      Emails with K. Mahar; call with A. Price regarding receipt of Receiver's      0.20      BJB  
allocation and K. Mahar to call next week; interoffice meeting with G.  
Moffat;

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Grant Moffat	0.80	\$750.00	600.00
Kyla Mahar	0.90	\$575.00	517.50
Bobbie-Jo Brinkman (Law Clerk)	1.00	\$250.00	250.00
<b>TOTAL FEE HEREIN</b>			<b>\$1,367.50</b>
<b>HST on Fees</b>			<b><u>\$177.78</u></b>
<b>Total Fees and HST</b>			<b>\$1,545.28</b>
 <b>Total Fees, Disbursements &amp; HST</b>			 <b>\$1,545.28</b>
<b>OUR ACCOUNT HEREIN</b>			<b>\$1,545.28</b>

**Thornton Grout Finnigan LLP**



Per: \_\_\_\_\_  
Kyla E.M. Mahar

HST No. 87042 1039RT  
Matter No. 533-035

Invoice No. 29762  
Date: October 20, 2015

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6.00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

HSBC BANK CANADA

Applicant(s)

and

NATIONAL TELECOMMUNICATIONS INC.

Respondent(s)

Court File No.: CV-15-10921-00CL

*ONTARIO*  
**SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at **Toronto**

**SIXTH BILL OF COSTS OF THE SOLICITORS TO THE  
COURT APPOINTED RECEIVER AND MANAGER**

**Thornton Grout Finnigan LLP**  
Barristers and Solicitors  
Suite 3200, P.O. Box 329  
Toronto-Dominion Centre  
Toronto, ON M5K 1K7

Grant B. Moffat (LSUC# 32380L)  
Tel: 416-304-0599  
Fax: 416-304-1313

Lawyers for Deloitte & Touche, Receiver and Manager of  
National Telecommunications Inc.



Thornton Grout Finnigan LLP  
RESTRUCTURING + LITIGATION

Toronto-Dominion Centre  
100 Wellington Street West  
Suite 3200, P.O. Box 329  
Toronto, ON Canada M5K 1K7  
T 416.304.1616 F 416.304.1313

Kyla E.M. Mahar  
T: 416-304-0594  
E: kmahar@tgf.ca  
File No. 533-035

December 15, 2015

**VIA EMAIL**

Deloitte & Touche LLP  
Bay Wellington Tower - Brookfield Place  
181 Bay St., Suite 1400  
Toronto, ON M5J 2V1

**Attention: Paul Casey**

Dear Sir:

**Re: National Telecommunications Inc.**

Please find enclosed our Seventh Bill of Costs for professional services rendered and disbursements incurred for the period up to and including November 30, 2015.

We trust you find the enclosed satisfactory. However, should you have any questions with respect to our account, please do not hesitate to contact the undersigned

Yours very truly,

**Thornton Grout Finnigan LLP**

Kyla E.M. Mahar  
KEMM\*bjb

Encl.

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

BETWEEN:

HSBC BANK CANADA

Applicant

and

NATIONAL TELECOMMUNICATIONS INC.

Respondent

SEVENTH BILL OF COSTS OF THE SOLICITORS TO THE COURT  
APPOINTED RECEIVER AND MANAGER

For the period ending November 30, 2015


Nov-01-15	Email to S. Damiani regarding status of distribution motion;	0.10	KM
Nov-20-15	Telephone message from A. Price; email to S. Damiani and P. Casey; email from S. Damiani enclosing allocation schedules;	0.10	KM
Nov-23-15	Emails with S. Damiani regarding coordinating conference call; review and consider receivership fee allocation and methodology; review actual forecast R&D in preparation for call; review draft Second Report of the Receiver in preparation for call; conference call with S. Damiani and P. Casey regarding receivership fee allocation and information to be provided to A. Price and relief to be sought at next motion; email from S. Damiani providing variance and review same;	1.60	KM
Nov-24-15	Telephone call to A. Price;	0.10	KM
Nov-25-15	Telephone call with A. Price regarding additional undertaking of allocation of fees; email to A. Price enclosing allocation schedules and R&D actual to forecast; email to P. Casey and S. Damiani regarding same;	0.40	KM

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Kyla Mahar	2.30	\$575.00	1,322.50

**TOTAL FEE HEREIN****\$1,322.50****HST on Fees****\$171.93****Total Fees and HST****\$1,494.43**

<b><u>Disbursements:</u></b>	
Facsimiles	\$1.50
Photocopies - Color	\$0.60
<b>Total Taxable Disbursements</b>	<b>\$2.10</b>
<b>HST on Disbursements</b>	<b>\$0.27</b>
<b>Total Non-Taxable Disbursements</b>	<b><u>\$0.00</u></b>
<b>Total Disbursements and HST</b>	<b><u>\$2.37</u></b>
<b>Total Fees, Disbursements &amp; HST</b>	<b>\$1,496.80</b>
<b>OUR ACCOUNT HEREIN</b>	<b>\$1,496.80</b>

**Thornton Grout Finnigan LLP**



Per:

Kyla E.M. Mahar

HST No. 87042 1039RT

Matter No. 533-035

Invoice No. 29934

Date: Dec 14/15

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6.00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

HSBC BANK CANADA

Applicant(s)

and

NATIONAL TELECOMMUNICATIONS INC.

Respondent(s)

Court File No.: CV-15-10921-00CL

*ONTARIO*  
**SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at **Toronto**

**SEVENTH BILL OF COSTS OF THE SOLICITORS TO  
THE COURT APPOINTED RECEIVER AND MANAGER**

**Thornton Grout Finnigan LLP**  
Barristers and Solicitors  
Suite 3200, P.O. Box 329  
Toronto-Dominion Centre  
Toronto, ON M5K 1K7

Grant B. Moffat (LSUC# 32380L)  
Tel: 416-304-0599  
Fax: 416-304-1313

Lawyers for Deloitte & Touche, Receiver and Manager of  
National Telecommunications Inc.



# **Exhibit ‘F’**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**BETWEEN:**

**HSBC BANK CANADA**

Applicant

- and -

**NATIONAL TELECOMMUNICATIONS INC.**

Respondent

**AFFIDAVIT OF PAUL CASEY  
(Sworn January 19, 2016)**

I, **PAUL CASEY**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Chartered Professional Accountant, Chartered Insolvency and Restructuring Professional qualified to practice in the Province of Ontario, and am a Senior Vice-President of Deloitte Restructuring Inc. (“**Deloitte**”), the Court-Appointed receiver and manager (the “**Receiver**”) of all of the assets, undertakings and properties of National Telecommunications Inc. (the “**Debtor**”) acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof. As such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Attached hereto as Exhibit “A” are true copies of the invoices for fees and disbursements incurred by Deloitte in the course of the receivership administration of the Debtor from April 9, 2015 to June 5, 2015 with daily time entries. These accounts were originally contained in my Affidavit sworn June 19, 2015 and the fees and disbursements of the Receiver

set out therein were approved by the Court pursuant to the Order of Justice Conway dated June 30, 2015.

3. Attached hereto as Exhibit "B" are true copies of the invoices for fees and disbursements incurred by Deloitte in the course of the receivership administration of the Company from June 6, 2015 to November 30, 2015 with daily time entries. These accounts were contained in my Affidavit sworn December 11, 2015.

4. To the best of my knowledge, the rates charged by Deloitte throughout the course of these proceedings are comparable to the rates charged by other accounting firms in the Toronto market for the provision of similar services, and are comparable to the hourly rates charged by Deloitte for services rendered in relation to similar proceedings.

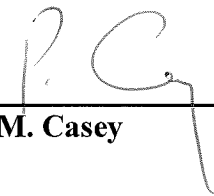
5. Attached hereto as Exhibit "C" is a schedule summarizing each invoice in Exhibit "B", the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.

6. Taking into account the activities to be completed prior to termination of the receivership proceedings, we estimated fees and disbursements inclusive of HST from December 1, 2015 to the conclusion of the proceedings at approximately \$12,000 plus HST. This estimate did not include any time spent to respond to the Affidavit of Henry Goldberg dated December 29, 2015.

7. I make this affidavit in support of a motion by the Receiver for, inter alia, approval of the fees and disbursements of the Receiver.

**SWORN BEFORE ME**  
at the City of Toronto, in the  
Province of Ontario this 19<sup>th</sup>  
day of January, 2016.

)  
)  
)  
)  
)

  
\_\_\_\_\_  
Paul M. Casey

\_\_\_\_\_  
A commissioner for taking oaths, etc.

Anna Koroneos, a Commissioner, etc.,  
Province of Ontario  
for Deloitte Restructuring Inc.,  
Trustee in Bankruptcy,  
Expires July 10, 2016.

This is Exhibit A refile  
in the Affidavit of Paul Casey  
Sworn before me this 19<sup>th</sup> day of  
January 2016  
A Commissioner, etc.

Anna Koroneos, a Commissioner, etc.,  
Province of Ontario  
for Deloitte Restructuring Inc.,  
Trustee in Bankruptcy,  
Expires July 10, 2016.

## EXHIBIT "A"

REFERRED TO IN THE AFFIDAVIT OF PAUL M. CASEY  
(Sworn January 19, 2016)



Deloitte Restructuring Inc.  
5140 Yonge Street  
Suite 1700  
Toronto ON M2N 6L7  
Canada

Tel: 416-601-6150  
Fax: 416-601-6151  
www.deloitte.ca

### Private and Confidential

HSBC Bank Canada  
70 York Street  
Toronto, ON M5J 1S9

Attention: Mr. John Borch  
Assistant Vice President  
North American Risk

Date: May 22, 2015  
Invoice No: **3829282**  
Client/Mandate No: 752920/1000256  
Billing Partner: Paul Casey

HST Registration No: 122893605

# Invoice #1

For professional services rendered in our capacity as the Court-appointed Receiver and Manager (the "Receiver") of National Telecommunications Inc. ("NTI" or the "Company") for the period April 9, 2015 to May 15, 2015.

Date	Professional	Description	Hours
4/9/2015	Brown, Rose	Set up Website and attach documents; prepare letters & documentation for open Trust bank account with HSBC Bank Canada ("HSBC" or the "Bank").	2.6
4/9/2015	Casey, Brian	On-site attendance at NTI's premises with respect to electronic data search and collection.	4.0
4/9/2015	Casey, Paul	Attend at the Ontario Superior Court of (the "Court") for Appointment Order; telephone discussions with S. Damiani and A. Koroneos; various emails including reporting email to HSBC.	3.0
4/9/2015	Damiani, Stefano	On-site attendance to take possession and control of NTI; meeting with Nelson Guyatt; inventory count with N. Guyatt; instructions to locksmith; discussions with Deloitte Forensics regarding electronic records; telephone and email correspondence with NTI's insurance broker; review Appointment Order; telephone and email correspondence with Honda Finance regarding two leased vehicles; reporting email to HSBC and Baker & McKenzie LLP; review corporate search report; review amended Agreement of Purchase and Sale ("APS") for building; discussions with A. Koroneos; instructions to R. Brown and C. Faria.	9.7
4/9/2015	Koroneos, Anna	Prepare for and attend at premises; attend to receivership administration and statutory requirements, including accounts receivable ("AR") letters; accounts payable ("AP") schedule etc; with N. Guyatt; discussion with Deloitte Forensics to download hard drives, etc.	10.0
4/9/2015	Ngai, Bosco Jun	Data collection: evidence management; data preparation.	6.5

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
4/9/2015	Yick, Roger	Data collection with respect to NTI's computers.	1.0
4/10/2015	Koroneos, Anna	Discussion with P. Stern of Stern Landesman Clark LLP ("SLC") and subsequent research; forward document on identified parties for his review; work on cheque schedule enter - TD USD through December 2013; arrange for Canada Revenue Agency ("CRA") audit; discussion with Sunlife Insurance ("Sunlife") on the life insurance policy and possible cash surrender; discussion with D. Emmink of Dar-Les, the Company's bookkeeper, regarding outstanding HST return and attend on site; several emails regarding same; discussion with Euler Hermes via telephone and email correspondence regarding the status of the AR insurance; discussion with P. Casey regarding status; discussion with C. Faria regarding AR letter to be mailed out and update schedule with contacts and phone numbers from N. Guyatt; discussion with Power Stream on new account for Receiver; discussion with Bell Canada regarding received email for phone; telephone discussion with J. Borch regarding status of site visit.	10.9
4/10/2015	Damiani, Stefano	Review correspondence and updated listing from P. Stern of SLC; discussion with A. Koroneos; email to P. Stern regarding 2188257 and Featurecom.	0.8
4/10/2015	Brown, Rose	Update receivership website; several telephone discussions and email correspondence with HSBC regarding the status of account opening.	1.6
4/10/2015	Casey, Brian	Evidence management with respect to NTI's electronic records.	0.5
4/10/2015	Casey, Paul	Telephone discussions with S. Damiani and A. Koroneos regarding status; discussion with J. Borch of HSBC; email correspondence.	0.8
4/10/2015	Damiani, Stefano	On-site attendance at the offices of NTI; telephone discussion with liquidator; confirmation email from Honda Finance; telephone discussion with N. Guyatt; email correspondence with B. Casey of Deloitte Forensics; telephone discussion with P. Casey; instructions to R. Brown and C. Faria; review books and records; meeting with representative of N. Guyatt to obtain NTI's mail key; review amended certificate of insurance and policy, email correspondence with broker, email correspondence with Marsh Insurance regarding same; email correspondence to J. Borch of HSBC; meeting with party; commence the Notice and Statement of the Receiver.	8.8
4/10/2015	Ngai, Bosco Jun	Evidence management; data preparation.	1.5
4/12/2015	Koroneos, Anna	Work on bank schedule; enter TD Bank accounts; review cheques.	1.4
4/13/2015	Damiani, Stefano	Emails regarding USD cheques; discussion with A. Koroneos regarding transaction schedule.	0.6
4/13/2015	Brown, Rose	Trust account administration.	1.5
4/13/2015	Casey, Paul	Email correspondence, meetings with team; review statutory Notice and Statement of Receiver.	1.0

Date	Professional	Description	Hours
4/13/2015	Damiani, Stefano	Review email correspondence with N. Guyatt regarding real property deposit details, and discussion with A. Koroneos regarding supporting documentation on same; email correspondence with NTI's insurance broker; emails with A. Koroneos regarding real property estimates; review email from J. Borch and the updated schedule of NTI's indebtedness to HSBC; amend Notice and Statement of Receiver, and submit to P. Casey; creditors' listing; review letter to Sheldon J. Skryzlo Law Office; review general ledger, comments to A. Koroneos regarding additional letters; review demand letter to Connect Cabling; review and amend real estate analysis, and submit draft to P. Casey.	7.6
4/13/2015	Koroneos, Anna	Discussion with CRA regarding HST audit; discussion with several customers (e.g. Panda Ventures, DataCom, and Pairo) regarding the collection letters and outstanding balances; review and respond to emails regarding same; letter to Sheldon Skryzlo regarding trust deposit for property; draft demand letter to Connect Cabling; discussion with R. Brown regarding 245/246 Notice and Report of Receiver, add supplementary list and review accounts for finalization; discussion with S. Damiani regarding various matters; review information received from N. Guyatt and discuss with HSBC to obtain copy of trust cheque; discussion with liquidator regarding inventory and schedule an appointment to view same; discussion with realtors on preliminary estimated value; prepare summary schedule of proposed values and APS received; sign off on AR letters and send via mail or courier; further review of realtor; discussion with S. Damiani regarding Connect Cabling collection letter.	8.5
4/13/2015	Ngai, Bosco Jun	Data collection.	0.5
4/14/2015	Damiani, Stefano	Correspondence with C. Faria regarding interim account package; on-site attendance at NTI's premises; meeting with third party appraiser regarding inventory; email correspondence with P. Casey regarding real property; email correspondence with P. Casey regarding Notice and Statement of Receiver; amend and format inventory listing, email to appraiser; discussions with A. Koroneos; review email correspondence to N. Guyatt regarding missing bank statements; receivership and banking administration matters with R. Brown; review mail and corporate profile reports; amend real estate analysis; attend at Connect Cabling to deliver demand letter, and email correspondence to P. Casey regarding same; review general ledger reports; email to HSBC with respect to real estate analysis; voicemail to NTI's Insurance Broker regarding allocation of invoice by property; email correspondence to N. Guyatt regarding Connect Cabling; review email correspondence regarding Panda Ventures; update regarding request for CRA audit; follow up email correspondence to Honda Finance; email correspondence with M. Nowina of Baker & McKenzie.	8.0
4/14/2015	Brown, Rose	Estate Administration - photocopy Notice and Statement of the Receiver, and fax to the Office of the Superintendent of Bankruptcy ("OSB") to register Receivership, prepare labels and envelopes; prepare re-direction of mail and take to Canada Post.	3.0

Date	Professional	Description	Hours
4/14/2015	Koroneos, Anna	Discussion with S. Damiani regarding General Ledger and demand letters; draft demands to 2188257 and 2334270 Ontario Inc.; attend at Connect Cabling to deliver demand letter; telephone discussion with Sheldon Skryzlo regarding trust funds; discussion with CRA on initiating trust and HST audit; discussion with S. Geraci of Featurecom regarding receivable and payable by NTI; telephone discussion with representative of LDM regarding payment made on March 12, 2015 for outstanding account and request support for same, locate on banking summary; discussion with M. Nowina; discussion with C. Millar of Otisco Valley regarding partial payment coming and balance; discussion with S. Damiani regarding mail received; email correspondence to J. Borch of HSBC regarding mail received for other entities and connection to potential purchaser; discussion with representative of Broadconnect regarding receivable; discussions with liquidators; work on AR schedule.	9.0
4/15/2015	Damiani, Stefano	Review interim account package, prepare time and fee analysis, instructions to C. Faria regarding same; on-site attendance at NTI's premises; review demand letters regarding loans; meeting with second auctioneer with respect to inventory and fixed assets; telephone discussion with J. Boem of Supreme Insurance Brokers; discussions with A. Koroneos; correspondence regarding funds deposited by NTI to its real estate counsel; email correspondence with Honda Collections and its Bailiff; email correspondence to P. Casey; review letters from A. Quinto of Connect Cabling, correspondence with Baker McKenzie regarding same; review email from H. Goldberg of Norman, Goldberg & Co. LLP, NTI's external accountant regarding real property, and draft response regarding same; review A/R schedule, email correspondence to A. Koroneos regarding same.	5.8
4/15/2015	Koroneos, Anna	Finalize letters to 2188 and 233 to N. Guyatt and Anthony Quinto; attendance on-site to meet with liquidator, review mail and discussion with Sheldon Skryzlo on trust funds; resend documents to S. Skryzlo and discussion with N. Guyatt; discussion with S. Damiani regarding outstanding matters; discussion with Greg Woo of Telogiks regarding AR and his offset order with wrong power supply; telephone message and discussion with David of Adessa regarding the Honda Crosstour pick up and request authorization from Honda to discuss; discussion with Lydia, Insolvency Officer assigned to NTI regarding trust audit, books and records.	7.5
4/16/2015	Casey, Paul	Meeting with A. Koroneos regarding various receivership matters; attendance on a conference call with HSBC and counsel; telephone discussion with J. Borch of HSBC; discussion with G. Moffat of Thornton Grout Finnigan ("TGF"); draft response to Henry Goldberg of Norman, Goldberg LLP, the Company's external accountant.	2.5



<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
4/16/2015	Damiani, Stefano	Emails with R. Penstone of HSBC and A. Koroneos regarding deposit information; review accounts receivable schedule, email to A. Koroneos regarding same; review email correspondence from HSBC and Baker & McKenzie regarding real property; review amended draft from Baker & McKenzie regarding property; attendance on a conference call with HSBC and Baker & McKenzie; review follow up email correspondence to A. Quinto of Connect Cabling; prepare insurance analysis, email correspondence to N. Guyatt regarding demand for repayment for 4370 Steeles Avenue portion; review P. Casey's email to H. Goldberg regarding real property; review correspondence with First Residential Property Manager.	2.5
4/16/2015	Casey, Brian	Status update on data collection.	0.5
4/16/2015	Koroneos, Anna	AR collections including discussions and follow up email correspondence to several parties; discussion with Sheldon Skryzlo on Trust funds via email and respond; follow-up email correspondence to Featurecom, Panda and Telogiks; review and summarize responses; receipt of cheque from TD Bank; email correspondence to Otisco summarizing payment discussion; review of 28 Eastern Avenue to locate Episolar for collection; request courier confirmations of letters dispatched; discussion with Brian Casey regarding back up and forward details for approval; forward letters sent to Connect Cabling to team; prepare and send letters to Connect Cabling in response to his faxed letters; attendance on a conference call with Baker & MacKenzie and HSBC regarding status and real estate; review of response to H. Goldberg regarding his email correspondence to the Receiver; draft estimated realizable value; discussion with Carol at First Residential Property Manager and draft and forward letter and The Court Order.	7.0
4/17/2015	Casey, Paul	Meeting with A. Koroneos regarding Report to Bank and other receivership matters.	0.5
4/17/2015	Casey, Brian	Meeting with respect to data collection.	1.0
4/17/2015	Damiani, Stefano	Draft schedule of estimated realizations, email correspondence with A. Koroneos regarding same; review reporting email.	1.3
4/17/2015	Koroneos, Anna	Discussion with P. Casey regarding status; discussion with S. Damiani regarding status and review of report; prepare report and appendices including AR summary update; review with P. Casey and send with AR customers; discussion with customer regarding invoice and payment; update to AR schedule.	7.5
4/20/2015	Brown, Rose	Estate Administration - update creditor in Ascend and send out three creditor packages.	0.4

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
4/20/2015	Damiani, Stefano	On-site attendance at NTI's premises; review correspondence to customers (Otisco Valley, Panda Ventures, Featurecom, Viper); review email correspondence to S. Skryzlo regarding trust funds; review email from M. Nowina; review emails from N. Guyatt regarding insurance, and send email to Connect Cabling demanding repayment regarding coverage for Unit 28 - 4370 Steeles West; telephone and email correspondence with Marsh Insurance; follow up correspondence with auctioneer; follow up email correspondence to Honda Finance; discussions with A. Koroneos; review inventory listing.	5.4
4/20/2015	Koroneos, Anna	Attend at NTI's premises; review of mail correspondence; A/R update and email correspondence; second contact made with summary of prior discussions to be confirmed; discussion with S. Damiani regarding several matters including Marsh contact and review and leased vehicle pick up; detailed review of inventory cost and comparative with invoicing and updates to schedule; review of response from E. Bisceglia regarding his client Gusto Brands Inc. and forward same; correspondence with liquidator.	5.0
4/20/2015	Ngai, Bosco Jun	Analysis of NTI's electronic data.	1.0
4/21/2015	Brown, Rose	Trust Banking Administration - Deposit.	1.0
4/21/2015	Casey, Paul	Meeting with S. Damiani regarding status of various receivership matters and instructions.	1.0
4/21/2015	Damiani, Stefano	Email correspondence with Baker & McKenzie regarding Gusto documentation; email regarding deposit; review proposals from auctioneers, and draft email to P. Casey regarding same; emails with Honda Finance and Bailiff; emails to A. Quinto of Connect Cabling regarding real property insurance, review response; review email from Marsh; email to J. Boem of Supreme Insurance Brokers; review letter from A. Quinto regarding demand letter to 2334270 Ontario.	2.8
4/21/2015	Koroneos, Anna	Discussion with Telequest International regarding AR and forward same; discussion with Angie of Telequest to confirm receipt and pending response; receipt of cheque from Otisco and with Rose to deposit same; discussion regarding issues depositing NTI cheque; review of message from F. Giandomenico and forward same; review of response from A. Quinto on insurance and discuss same; review of fax from Bisceglia and respond via email; discussion with S. Damiani on and M. Nowina on Gusto executed promissory note; search Gusto entities to find details per Bisceglia letter.	7.0
4/21/2015	Ngai, Bosco Jun	Analysis of NTI's electronic data.	0.5
4/22/2015	Casey, Paul	Briefing G. Moffat of TGF and meeting with S. Damiani.	0.4

Date	Professional	Description	Hours
4/22/2015	Damiani, Stefano	Update inventory listing, and detailed email to N. Guyatt regarding same; telephone discussion with N. Guyatt regarding inventory, real estate, A/R, demand letters, Gusto, and NTI emails; review follow up emails to N. Guyatt regarding A/R and other amounts receivable; telephone discussion with First Service Residential regarding outstanding common area fees regarding 101 Innovation Drive; conference call with F. Giandomenico on behalf of a party interested in 101 Innovation Drive, and A. Koroneos; email to F. Giandomenico regarding offer; telephone discussion with auctioneer; correspondence with A. Koroneos; draft reporting email to HSBC regarding inventory, submit to P. Casey; review N. Guyatt comments regarding A/R issues; review email regarding Gusto; emails to A. Koroneos regarding listing proposals, email log.	4.4
4/22/2015	Koroneos, Anna	Discussion with B. Casey regarding email review to support AR and forward discussion details. review of details for Gusto AR and email to E. Bisceglia regarding receipt of our correspondence and address; discussion with F. Giandomenico on 101 Innovation and email regarding same; discussion with S. Damiani and F. Giandomenico regarding 101 Innovation sale and new APS required; review of records on Gusto relationship and companies, bankruptcy search for AR; prepare AR schedule for N. Guyatt to review on customers claiming already paid for, forward to N. Guyatt and review his response, confirm by email our understanding nothing owed; email correspondence regarding status update and items that require immediate attention regarding formal listing proposals; discussion with S. Damiani regarding several matters, AR, 101 Innovation and inventory.	6.5
4/23/2015	Casey, Paul	Review draft email to client; discussion with S. Damiani.	0.4
4/23/2015	Koroneos, Anna	Work on cheque schedule, additions reconciliation and review of each cheque individually; attend to AR matters and update to schedule including discussion with customer and forward invoice; discussion with S. Geraci at Featurecom regarding outstanding supporting documentation; discussion with S. Damiani regarding inventory and realtors; schedule meetings for realtors to attend for formal listing proposals, review of emails regarding retrieval from back up of hard drive; discussion with N. Guyatt regarding several issues, email correspondence regarding outstanding AR for his other entities; review of Statement of Affairs ("SOA") for Vincent Leli etc.	6.9

Date	Professional	Description	Hours
4/23/2015	Damiani, Stefano	Review email from P. Stern of SLC regarding email address, and put questions to Deloitte Forensics; review email correspondence from N. Guyatt regarding CRA audit, NTI email correspondence; and demand letters to 2334170 and 2188257; email correspondence with Deloitte Forensics regarding NTI emails; email correspondence with N. Guyatt and A. Koroneos regarding details for 101 Innovation Drive, Unit 3; review Appointment Order; email and telephone correspondence with G. Moffat of TGF; follow up email to Supreme Insurance Brokers; email from Skryzlo regarding trust funds matter; review letters from Connect Cabling; email correspondence from S. Geraci of Featurecom; review inventory details provided by N. Guyatt, additional email correspondence, amend listing.	4.1
4/23/2015	Casey, Brian	Review and download of email.	1.0
4/23/2015	Ngai, Bosco Jun	Analysis of electronic data.	3.0
4/24/2015	Casey, Paul	Meetings with A. Koroneos and S. Damiani regarding response to account debtors; inventory sale process; discuss status of email review.	1.0
4/24/2015	Damiani, Stefano	Review correspondence from P. Stern and A. Koroneos with respect to N. Guyatt's emails; correspondence with Deloitte Forensics about recovered N. Guyatt's emails; email correspondence with N. Guyatt regarding inventory unit pricing; review demand letter to Connect Cabling; review responses by N. Guyatt regarding A/R matters; amend inventory schedule, and prepare Request for Offer package; telephone and email correspondence with G. Moffat; discussion with P. Casey; review letter from S. Skryzlo regarding NTI trust funds, and correspondence from A. Koroneos regarding same; email correspondence with Baker & McKenzie; email correspondence to potential interested parties regarding request for offers for inventory.	5.0
4/24/2015	Brown, Rose	Disbursement cheque.	0.2
4/24/2015	Casey, Brian	Review findings of various requests.	0.5
4/24/2015	Koroneos, Anna	Discussion with P. Casey regarding inventory and sale of 101 Innovation; discussion with realtors regarding appointments; discussions with S. Damiani regarding inventory and other matters; letter to Connect Cabling regarding AR and warranties; discussion with G. Moffat on draft and finalize same; review of P. Stern of SLC email and discussion regarding email correspondence with Deloitte Forensics; review of retrieved emails and discussion with P. Casey regarding same; email correspondence to Viper regarding second notice; review of redirected mail; review of inventory sale listing and reconcile with emails received from customers; draft summary of Leli letter; draft email on retrieved emails; update summary of AR; prepare draft Second and final letters; review of cheques received from A. Quinto to support the trust declaration; review of letter from S. Skryzlo on trust funds from NTI and forward to Baker & McKenzie to review same; telephone discussion with M. Nowina to discuss various issues including the Skryzlo letter and forward corporate search, summary of payments and bill for 31 and 29 Henson paid by NTI.	7.6
4/24/2015	Ngai, Bosco Jun	Analysis of electronic data.	1.0

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
4/27/2015	Casey, Paul	Review, comment and issue reporting email; set up meeting with HSBC and counsel; multiple meetings with A. Koroneos and S. Damiani; telephone discussion with Chuck Perry of HSBC.	1.5
4/27/2015	Damiani, Stefano	Review email from F. Giandomenico of Intercity Realty and the revised offer for 101 Innovation Drive - Unit 3; email correspondence with HSBC and Baker McKenzie regarding the Hanson property and trust funds paid by NTI; draft reporting email to HSBC and submit to P. Casey; voicemail to N. Guyatt regarding CRA audit; prepare inventory tracking schedule for request for offers; review letter to Connect Cabling; telephone discussions with two parties interested in inspecting the inventory; email from Deloitte Forensics regarding email; email correspondence with P. Stern of SLC and A. Koroneos; review draft letters regarding data; attend call with C. Perry of HSBC and Deloitte regarding Leli and police investigation; review email by A. Koroneos regarding Goldhar discussion; review email from J. Borch of HSBC.	6.4
4/27/2015	Koroneos, Anna	Work on bank summary, review USD cheques, update schedule; review of invoices from Featurecom and discussion with S. Geraci regarding same; prepare and send email to P. Stern regarding email retrieval and review of response; draft and final letter to Blacksun internet provider and N. Guyatt regarding same; discussion with S. Damiani; review of letter for Connect Cabling from G. Moffat of TGF and forward to A. Quinto; printing of relevant emails; discussion with B. Casey regarding mails and process used to locate same; discussion with Telinks Canada Limited confirming payment; review of Leli search on home and review of Statement of Affairs; email to Richard Goldar and Associates to obtain minutes of meeting and subsequent discussion with R. Goldhar re: Leli bankruptcy and police investigation; discussion with P. Casey, and call to C. Perry of HSBC; draft and send email summary; review of prospective purchaser's offer with S. Damiani.	9.0
4/28/2015	Damiani, Stefano	On-site attendance at the premises of NTI; meeting with CRA auditor; emails and on-site meetings with parties to facilitate inspection of the inventory; meetings with real estate brokers; email from M. Nowina of Baker & McKenzie; follow up email to N. Guyatt regarding 101 Innovation Drive; review direction and authorization letter to N. Guyatt regarding trust funds matter; emails with N. Guyatt regarding CRA matters; email correspondence to N. Guyatt regarding to inventory query.	4.6
4/28/2015	Koroneos, Anna	Work on banking schedule and complete US and CAD for all years; review of each cheque for other banking details; work on TD USD banking information and include in banking summary; attend at site; meet with CRA auditor, Danny Mantelos and review of audit; discussion with realtors regarding selling premises and viewing same; work on AR schedule; telephone discussion with Viper; request to N. Guyatt; telephone discussion with M. Nowina and prepare and send direction to N. Guyatt; review of email listing proposal from realtor; retrieve HST scanned and save for audit; retrieved TD USD accounts and begin work on bank summary to include same.	7.1

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
4/29/2015	Casey, Paul	Preparation meeting with A. Koroneos and S. Damiani; attend meeting with Bank and counsel to discuss receivership matters.	3.5
4/29/2015	Damiani, Stefano	Email and telephone correspondence with parties seeking information on NTI's inventory; emails from N. Guyatt regarding inventory; review email to N. Guyatt regarding payments to 1219172 Ontario Inc.; review bank transaction analysis, prepare summary schedules; review summary prepared by SLC; prepare and attend meeting with HSBC and legal counsel.	3.8
4/29/2015	Koroneos, Anna	Continue work on banking summary; discussion with Blacksun, resend and discuss obtaining compliance confirmation; print significant emails for meeting; email to AR customers and summarize list for final letters; draft same; pre-meeting with P. Casey and S. Damiani regarding various asset realizations; discussion with SLC and HSBC regarding status update and next steps; review of balance sheets in Goldberg materials; discussion with N. Guyatt on 1219172 support for commissions; discussion with S. Damiani regarding outstanding issues and bank schedule; review of schedule provided by P. Stern; review of listing proposal from Remax and discussion with S. Damiani regarding same; pull title on N. Guyatt's home for review; PPSA search regarding N. Guyatt for other registrations.	6.2
4/30/2015	Casey, Paul	Instructions to S. Damiani and A. Koroneos regarding follow-up from meeting; email correspondence to J. Borch; meeting with S. Damiani regarding listing proposals and recommendation to bank; emails regarding Blacksun email investigation.	0.6
4/30/2015	Damiani, Stefano	Review listing proposals; prepare analysis with respect to the sale of 101 Innovation Drive, and submit reporting email to P. Casey; review proof of claim regarding Leli bankruptcy; review email from Goldhar, Leli's trustee; draft action plan, correspondence with counsel regarding same; telephone discussion with P. Stern and J. Clark of SLC; email to HSBC; review correspondence regarding Episolar; review email from Blacksun regarding data; review letter to N. Guyatt regarding data; emails to real estate brokers; email to J. Borch of HSBC regarding 101 Innovation Drive.	3.3
4/30/2015	Koroneos, Anna	Prepare and send Proof of Claim in the Leli administration; draft to do list and forward to S. Damiani for additions; continue work on AR letters; realtor review and discussion with Blacksun regarding emails; finalize letter to N. Guyatt regarding emails and forward same; locate and summarize Episolar documents; discussion regarding Sunlife and discussions with Sunlife regarding Personal policy.	3.7
5/1/2015	Casey, Paul	Emails regarding Bressi and Blacksun; discussion with A. Koroneos; meeting S. Damiani regarding counter offer to prospective purchaser; instructions regarding condo fee arrears.	0.5

Date	Professional	Description	Hours
5/1/2015	Damiani, Stefano	Email correspondence with real estate brokers; follow up email to J. Boem of Supreme Insurance Brokers; review offer and prepare counteroffer for 101 Innovation Drive; review CRA's Examiner's Statement of Account, draft email to N. Guyatt and his external accountants; review email from R. Penstone of HSBC; follow up email to potential purchasers regarding the Receiver's Request for Offers for inventory; review A/R demand letters; telephone discussion with G. Moffat of TGF regarding counteroffer for 101 Innovation Drive; emails from Viper Communications; meeting with P. Casey; review email from P. Stern; review APS regarding Hansen property; review reporting email by A. Koroneos on party previously listed as having an amount owing to NTI; correspondence with Goldhar.	4.2
5/1/2015	Koroneos, Anna	Work on King Home investigation; finalize and send all the Second Demand Letters to AR customers; discussions with Telelinks; discussion with Viper on several emails; review of letter from Connect Cabling regarding return or reduction in cost; discussion with Goldhar regarding minutes and return email regarding call; discussion with P. Casey on MTD; review of emails from Rick P of HSBC and P. Stern; telephone discussion with M. Nowina and review of his email to all; discussion with S. Damiani regarding APS from prospective purchaser and amendments; email summary on King Home and email correspondence; ongoing receivership administration.	4.5
5/4/2015	Brown, Rose	Trust Banking Administration - Deposit.	0.3
5/4/2015	Damiani, Stefano	Review minutes of the First Meeting of Creditors of V. Leli's bankruptcy; review the Trustee's Preliminary Report on the administration of the Leli bankruptcy; emails with HSBC regarding OSB Investigation Unit, Leli Bankruptcy; discussions with A. Koroneos; emails with party interested in the inventory; attend conference call with R. Goldhar and H. Manis regarding the Leli bankruptcy, Elston Richardson; emails to R. Goldhar and HSBC regarding contact information for police officers; draft demand letter to Featurecom; review draft agreement of purchase and sale regarding 101 Innovation Drive, Approval and Vesting Order, and other Schedules; email and telephone correspondence with G. Moffat of TGF regarding 101 Innovation Drive; telephone discussion with A. English of Torkin Manes LLP regarding 101 Innovation Drive; review amendments to APS by Torkin Manes.	3.9
5/4/2015	Koroneos, Anna	Review of Preliminary report on Leli bankruptcy; review of minutes; telephone attendance with Howard Manis and Richard Goldhar, trustee and legal counsel regarding Leli; extensive discussion on status and Elston Richardson funding and receipt of funds; discussion regarding police investigation and OSB; review of details regarding MTD Consultants and forward email regarding same; preparation for call with R. Goldhar; discussion with S. Damiani regarding Connect Cabling response to amounts owing and discount suggestion; discussion with P. Casey regarding Leli assets; discussion with S. Damiani on the APS for 101 Innovation Drive; discussion with S. Damiani regarding arranging for attendance on site to sell the inventory.	4.5

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
5/5/2015	Brown, Rose	Trust Banking Administration - Deposit.	0.3
5/5/2015	Casey, Paul	Review various emails; draft correspondence regarding sale of Innovation Drive and counter offer; accounts receivable collections; meetings A. Koroneos and S. Damiani regarding other receivership activities.	2.0
5/5/2015	Damiani, Stefano	Review correspondence with respect to A/R collections; review notes from call with Leli trustee, emails on same; telephone and email correspondence with parties interested in the inventory; meeting with P. Casey; review email by N. Guyatt; amend demand letter to Featurecom, submit to counsel for comments; telephone and voicemail correspondence with G. Moffat of TGF; email to A. Koroneos regarding follow up questions for Goldhar; emails with real estate broker; review further amended draft APS re 101 Innovation Drive by Torkin Manes; voicemail from party interested in 101 Innovation Drive; emails N. Guyatt regarding inventory matters; email counteroffer to party interested in 101 Innovation Drive.	3.8
5/5/2015	Koroneos, Anna	Email from N. Guyatt in response to our letter regarding emails preservation; forward to P. Casey; review response from P. Casey; email to HSBC regarding accounts receivable update and two payments received; review response from P. Casey and J. Borch; email to Otisco on payment; prepare email on notes from R. Goldhar and H. Manis call and forward to P. Casey; review of P. Casey's response and respond to same; review of letter from Connect Cabling and discussion on approach to discount requested; further discussion on information received from Manis/Goldhar.	5.0
5/6/2015	Casey, Paul	Emails S. Damiani regarding inventory and real estate; discussion with A. Koroneos regarding reporting.	0.2
5/6/2015	Damiani, Stefano	On-site attendance at the premises of NTI; meeting and correspondence with prospective purchaser of inventory; email and telephone correspondence with another prospective purchaser regarding inventory; telephone discussion with J. DeMatteis, counsel to a prospective purchaser of 101 Innovation Drive; commence review of inventory offers, submit summary email to P. Casey with preliminary comments; review email regarding A/R cheques.	3.1
5/6/2015	Koroneos, Anna	Review of emails; discussion with S. Damiani on his attendance.	1.0
5/7/2015	Casey, Paul	Miscellaneous emails; discussion with S. Damiani.	0.3
5/7/2015	Damiani, Stefano	Telephone discussion and email to customer regarding A/R; analysis of inventory offers; prepare draft outline for Report to Court, submit to P. Casey; telephone and email correspondence with G. Moffat of TGF; review email correspondence with P. Stern of SLC.	2.6
5/7/2015	Koroneos, Anna	Discussion with C. Faria payment of vendor invoice; review of email from P. Stern; discussion with P. Casey on status; draft and amend for letter to N. Guyatt on emails.	4.0
5/8/2015	Casey, Paul	Discussions S. Damiani and A. Koroneos regarding various; review and execute APS for Innovation Drive; email review.	0.5



Date	Professional	Description	Hours
5/8/2015	Damiani, Stefano	Review email and amended APS regarding 101 Innovation Drive from the prospective purchaser's legal counsel; email correspondence with HSBC regarding offers for 101 Innovation Drive and inventory; email to TGF and Torkin Manes regarding APS for 101 Innovation Drive; review emails by A. Koroneos regarding A/R collections; review and amend Bill of Sale regarding inventory; email and telephone correspondence prospective purchaser regarding same; review email regarding insurance policy; review correspondence regarding servers; review comments from counsel regarding amended APS for 101 Innovation Drive, and correspondence with A. English of Torkin Manes on same; review reporting email, submit to P. Casey; email to J. De Matteis, counsel to the prospective purchaser re 101 Innovation Drive.	4.0
5/8/2015	Koroneos, Anna	Review of redirected mail; review of letter from CRA and forward to N. Guyatt and Darlene for response to the form and to provide dates for the audit; discussion with Motion Technologies on AR and forward invoice; discussion with S. Damiani on new offer from prospective purchaser and conditions; review of letter from Sun Life and file documents for cash surrender value; enclosure letter to Sun Life regarding same; letter to N. Guyatt regarding payout for insurance loan/surrender difference; work on report to HSBC and forward to P. Casey; amendments to the reporting email and forward to P. Casey.	4.5
5/11/2015	Damiani, Stefano	Review correspondence regarding OSB investigation; follow up email to Featurecom regarding indebtedness to NTI; review and execute bill of sale, email to successful purchaser, and instructions to R. Brown; review APS regarding the Hansen property, amend letter to the purchaser's counsel (Cirillo), and discussion with A. Koroneos on same; review email by N. Guyatt regarding Honda Finance; email from purchaser regarding inventory.	2.6
5/11/2015	Koroneos, Anna	Telephone discussion with OSB regarding its investigation on the Leli bankruptcy; email to team regarding same and follow up call with R. Penstone on discussion; draft letter to J. Cirillo on Hansen funds and forward to S. Damiani and G. Moffatt for review; discussion with S. Damiani on outstanding matters; review of email from N. Guyatt on Odyssey return to Honda.	2.0
5/12/2015	Brown, Rose	Banking Administration - disbursement cheques and deposit.	0.9
5/12/2015	Casey, Paul	Receivership disbursement regarding real estate; meeting with S. Damiani and execute Innovation Drive counter offer to prospective purchaser; other matters.	0.6

Date	Professional	Description	Hours
5/12/2015	Damiani, Stefano	Voicemail to purchaser of inventory; review correspondence regarding deemed trust and lien; telephone discussion with S. Geraci of Featurecom regarding demand letter; follow up email to J. Boem of Supreme Insurance Brokers; review draft letter to N. Guyatt; review email regarding A/R; review general ledger; telephone discussion with J. De Matteis, counsel for the prospective purchaser re 101 Innovation Drive; review amended APS re 101 Innovation Drive and email from J. De Matteis; review letter from City of Vaughan re 101 Innovation Drive, and email to N. Guyatt and H. Goldberg on same; emails with Torkin Manes and J. De Matteis, attached initialed APS.	4.2
5/12/2015	Koroneos, Anna	Review of claim filed by CRA; review of property lien - request payment for both; letter to CRA enclosing payment; discussion with Carol of First Property Service (condo fees) to confirm amount and subsequent call to Mr. Deo, lawyer on lien; review of amended letter and forward to G. Moffatt for his comment; voicemail message from G. Moffatt regarding letter to N. Guyatt on emails.	2.2
5/12/2015	Koroneos, Anna	Follow up email to Mario at Motion Technologies regarding payment.	0.1
5/13/2015	Damiani, Stefano	Telephone discussion with A. English of Torkin Manes regarding offer amendment, building permit matter, and title due diligence date re 101 Innovation Drive; email correspondence with J. De Matteis and A. English regarding 101 Innovation Drive; review email from N. Guyatt regarding building permit issue on renovations to 101 Innovation Drive; detailed email correspondence with Supreme Insurance Brokers regarding renewal for 101 Innovation Drive; draft letter package to Connect Cabling, submit to P. Casey; review update report from P. Stern of SLC.	2.5
5/13/2015	Koroneos, Anna	Review of email from Motion Technology and update schedule of payments coming on AR listing; with J. Stern on various items, extensive call outlining relationships and 4370 Steeles; review of various emails; complete Sunlife cash redemption form and with S. Damiani regarding several matters.	2.0
5/14/2015	Brown, Rose	Trust Banking Administration - Deposit.	0.3
5/14/2015	Damiani, Stefano	On-site attendance at NTI's premises; meeting with purchaser of inventory to facilitate removal from 101 Innovation Drive; additional email from N. Guyatt regarding permits for 101 Innovation Drive; review email from HSBC regarding Leli bankruptcy and the Gusto investment; email correspondence with Supreme Insurance Brokers; email from J. De Matteis regarding the deposit for 101 Innovation Drive, and instructions to R. Brown regarding same; voicemail and telephone correspondence with J. De Matteis regarding APS and deposit; email from P. Casey;	2.8
5/14/2015	Koroneos, Anna	Drafting First Report to Court; review of emails from P. Stern and J. Borch on Judgement; discussion with LMD Systems on unpaid invoice and send for payment; finalize Sunlife cash surrender letter and form; forward to Sun Life; review of redirected mail and respond where required; discussion with L. Arumugan, CRA auditor, and draft letter to R. Goldberg to collect information.	2.1

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
5/15/2015	Damiani, Stefano	Email to S. Geraci of Featurecom regarding outstanding A/R; reporting email to HSBC, submit to P. Casey; voicemail to G. Moffat of TGF; review emails from J. Borch of HSBC and P. Stern of SLC; review CRA letter; review and amend letter to H. Goldberg; instructions to C. Faria; review letter from Intact regarding Notice of Cancellation of Insurance, and send emails to Supreme Insurance Brokers and Marsh on same; telephone attendance with G. Moffat of TGF; amend draft letters with A. Koroneos; email to M. Nowina of Baker & McKenzie regarding security package; discussions with A. Koroneos.	3.1
5/15/2015	Koroneos, Anna	Discussion with G. Moffatt on Cirillo letter and Guyatt letter regarding emails, finalize and send both; discussion with S. Damiani regarding various outstanding issues; review of redirected mail; discussion with Sun Life on cash surrender; update reporting email; discussion with Motion on address for cheque; finalize letter to R. Goldberg and send.	2.2

**Summary of Fees**

<b>Professional</b>	<b>Position</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Paul Casey, CPA, CA, CIRP	Senior Vice President	20.3	\$ 600	\$ 12,180.00
Stefano Damiani, CPA, CA, CIRP	Vice President	121.7	\$ 470	57,199.00
Anna Koroneos, CIRP	Manager	154.9	\$ 350	54,215.00
Brian Casey	Manager	7.5	\$ 350	2,625.00
Roger Yick	Senior Consultant	1.0	\$ 250	250.00
Bosco Jun Ngai	Analyst	14.0	\$ 142	1,988.00
Rose Brown	Trust Administration	12.1	\$ 110	1,331.00
<b>Total professional hours and fees</b>		<b>331.5</b>		\$ 129,788.00
<b>Disbursements</b>				
PPSA search reports				\$ 415.00
Ground transportation				450.00
Locksmith				349.90
Postage and delivery				291.00
Realtor fees re 101 Innovation Drive - Unit 3, Vaughan				250.00
<b>Total disbursements</b>				\$ 1,755.90
<b>Total professional fees and disbursements</b>				\$ 131,543.90
HST @ 13%				17,100.71
<b>Total payable</b>				<b>\$ 148,644.61</b>

Payable upon receipt to Deloitte Restructuring Inc.

Remittance information on last page

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.



Deloitte Restructuring Inc.  
5140 Yonge Street  
Suite 1700  
Toronto ON M2N 6L7  
Canada

Tel: 416-601-6150  
Fax: 416-601-6151  
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**Private and Confidential**

HSBC Bank Canada  
70 York Street  
Toronto, ON M5J 1S9

Attention: Mr. John Borch  
Assistant Vice President  
North American Risk

Date: June 10, 2015  
Invoice No: **3851840**  
Client/Mandate No: 752920/1000256  
Billing Partner: Paul Casey

HST Registration No: 122893605

# Invoice #2

For professional services rendered in our capacity as the Court-appointed Receiver and Manager (the "Receiver") of National Telecommunications Inc. ("NTI" or the "Company") for the period from May 16, 2015 to June 5, 2015.

Date	Professional	Description	Hours
5/19/2015	Casey, Paul	Email correspondence with S. Damiani.	0.1
5/19/2015	Koroneos, Anna	Review of redirected mail; discussion with SunLife Broker on insurance value and notification; discussion with real estate broker on 101 Innovation Drive quote; discussion with S. Damiani; review of message from Otisco on expected payment of accounts receivable ("A/R").	1.2
5/19/2015	Damiani, Stefano	Email to G. Moffat of Thornton Grout Finnigan ("TGF"); review email from H. Goldberg of Norman, Goldberg & Co. LLP with respect to HST audit; update email to P. Casey; email correspondence to A. English of Torkin Manes LLP; email correspondence from M. Nowina of Baker & McKenzie LLP regarding security package; telephone and email to party that submitted an offer on NTI's inventory; email correspondence with interested party regarding the forklift and other assets; email correspondence to another prospective purchaser regarding the forklift.	3.9
5/20/2015	Casey, Paul	Review email report and other receivership correspondence; meeting with S. Damiani.	1.5
5/20/2015	Koroneos, Anna	Review of email from N. Guyatt of NTI; discussion with G. Moffatt regarding same; discussion with S. Damiani on various issues; discussion with First Property Management regarding 101 Innovation Drive and discussion on payment, confirmation of receipt of follow up call and next payment direction; discussion with Blacksun regarding email release for May 21, 2015.	1.5

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
5/20/2015	Damiani, Stefano	Telephone discussion with Supreme Insurance Brokers regarding Intact Insurance policy for 101 Innovation Drive; review email correspondence from N. Guyatt and A. Koroneos; review email from R. Goldhar's legal counsel regarding Leli bankruptcy; amend demand letter to Connect Cabling, and email to G. Moffat of TGF regarding same; meeting with P. Casey; draft bill of sale regarding forklift truck, email to G. Moffat regarding same; email correspondence to A. Koroneos regarding TD Bank Statement and Personal Property Security Act ("PPSA") report.	1.9
5/21/2015	Casey, Paul	Email correspondence regarding NTI data.	0.1
5/21/2015	Koroneos, Anna	Discussion with S. Damiani regarding several outstanding matters; forward PPSA report to TGF; discuss forklift; review of email correspondence from N. Guyatt and email to Blacksun re: same; no response with P. Casey and TGF on email review.	1.0
5/21/2015	Damiani, Stefano	Amend and issue collection letter to Connect Cabling; draft letter to TD Canada Trust regarding outstanding banking information, and email to A. Koroneos regarding same; review correspondence from N. Guyatt regarding data, and related comments by G. Moffat regarding same; email correspondence with Supreme Insurance Brokers regarding termination of policy, and put questions regarding 101 Innovation Drive; review email from Baker & McKenzie regarding request from counsel to Addiction Associates re 101 Innovation Drive, and telephone correspondence with G. Moffat regarding same; email and telephone correspondence with purchaser regarding inventory and forklift.	4.8
5/22/2015	Casey, Paul	Review reporting email correspondence to HSBC Bank Canada ("HSBC" or the "Bank") and other correspondence.	0.5
5/22/2015	Koroneos, Anna	Email to Blacksun re emails and subsequent discussion on same; follow up email correspondence; email correspondence to AR customers and with S. Damiani regarding collection agency; review of redirected mail and email correspondence re cheque from One Restaurant received; draft and send letter to TD Bank re statements; email to HSBC on deposits; discussions with S. Damiani regarding report; review of A/R and prepare collection schedule; email D. Glen of Credit Mediators Inc. re certain A/R.	2.5
5/22/2015	Damiani, Stefano	Review estate general ledger report and prepare interim statement of receipts and disbursements ("R&D"); email correspondence with A. Koroneos regarding A/R collections, outstanding information for banking transaction review; email correspondence with R. Penstone of HSBC regarding police investigation; draft reporting email to HSBC and submit to P. Casey.	3.3
5/25/2015	Brown, Rose	Trust Banking - Deposit.	0.3
5/25/2015	Koroneos, Anna	Discussion with Blacksun regarding emails; forward Blacksun's response to G. Moffatt for review and response; discussion with TD Bank regarding statements; telephone discussion with J. Borch of HSBC regarding cheque review; discuss schedule; discussion with S. Damiani regarding several matters; receipt of cheque from Otisco.	3.0

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
5/25/2015	Damiani, Stefano	Email correspondence with HSBC, A. Koroneos, and P. Casey regarding banking transactions; review banking transaction schedule; review fully executed bill of sale regarding forklift, instructions to R. Brown on same; email correspondence to P. Casey; review detailed letter from J. DeMatteis, counsel for the purchaser re 101 Innovation Drive; review email from Blacksun regarding data; email and comments to A. English re J. DeMatteis letter; email correspondence with A. Koroneos regarding discharge of lien regarding 101 Innovation Drive; email correspondence with A. English of Torkin Manes.	2.8
5/26/2015	Brown, Rose	Trust Banking Administration – Deposit; prepare disbursement, obtain signature and courier.	0.6
5/26/2015	Koroneos, Anna	Obtain access to nticanada.com and Nelson@nticanada.com; review email correspondence and compile same; discussion with G. Moffat of TGF on letter to Blacksun; review same; review email from Blacksun; forward Otisco cheque to R. Brown and email correspondence on same; discussion with S. Damiani regarding 407 ETR; Motion Technologies payment and update summary; discussion with CMI collection agency regarding assignment of accounts for collection.	3.4
5/26/2015	Damiani, Stefano	Review email from Supreme Insurance Brokers; populate insurance application, and email and voicemail correspondence with Marsh Insurance ("Marsh") regarding same; review A/R collections update; review correspondence with Blacksun; telephone discussion with the City of Vaughan regarding property taxes, and draft letter for access to information; draft cover letter for disbursement; telephone discussion with creditor (407 ETR), and email correspondence with N. Guyatt and Honda Finance/bailiff regarding same; follow up email to S. Geraci of Featurecom; email correspondence to A. Koroneos regarding R. Goldhar on the Leli bankruptcy; email to Goldhar regarding accounting of payments regarding Elston Richardson; review draft responding letter to the purchaser's counsel, and email correspondence with S. Zuk of Torkin Manes regarding same; review statement of account and telephone and email correspondence with representatives of Travellers Insurance regarding same.	3.6
5/27/2015	Brown, Rose	Trust Banking Administration – Deposit.	0.3
5/27/2015	Ngai, Bosco	Support with respect to emails and data.	0.5
5/27/2015	Casey, Paul	Preparation meeting with A. Koroneos and attend meeting at HSBC with Bank and counsel; follow-up meeting with S. Damiani and A. Koroneos and instructions.	3.5
5/27/2015	Koroneos, Anna	Review P. Stern summary and make factual changes; review certain transactions from January 9, 2015; discussion with Canada Revenue Agency ("CRA") regarding audit for HST and forward letter and response from H. Goldberg; continue review of email correspondence and discussion with P. Casey regarding same; meeting with P. Casey and S. Damiani regarding HSBC meeting; forward information to P. Stern for review.	4.5

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
5/27/2015	Damiani, Stefano	Telephone discussion with the purchaser regarding the forklift and inventory; review email and finalized letter from S. Zuk responding to J. De Matteis; review of email correspondence regarding N. Guyatt, correspondence with A. Koroneos regarding same; emails with P. Casey and A. Koroneos regarding inventory, shipments, borrowing base, NTI bookkeeper, other matters; team meeting with P. Casey and A. Koroneos; review proposed insurance quotes from Marsh, and email correspondence with L. DeGeus regarding same; email correspondence from Honda Finance and Adesa regarding 407 ETR transponders; voicemail and email correspondence to G. Moffat; discussion with A. Koroneos regarding CRA.	2.6
5/28/2015	Damiani, Stefano	Telephone discussion with G. Moffat of TGF regarding security review; email and voicemail correspondence with A. English of Torkin Manes regarding review of charge/mortgage on real property; drafting of Report to Court; review email and letter from J. DeMatteis regarding an extension request on 101 Innovation Drive, and emails with Torkin Manes regarding same; email correspondence to HSBC regarding extension of title due diligence date; review of NTI emails, discussion with A. Koroneos regarding same; review report from P. Stern, discussion with A. Koroneos regarding same; telephone discussion with A. English.	2.9
5/28/2015	Koroneos, Anna	Discussion with S. Damiani regarding several o/s issues; review of email correspondence and telephone discussion with Blacksun regarding computer virus; review new emails and draft summary for P. Stern; discussion with P. Casey regarding same and articles found and connection with Hansen; update A/R schedule.	2.0
5/29/2015	Damiani, Stefano	Email correspondence with purchaser regarding inventory and forklift; commence drafting of Report to Court; email to A. Koroneos regarding TD Bank statements; voicemail to TD Bank branch representative regarding status of bank statements; voicemail to Marsh.	1.9
5/29/2015	Koroneos, Anna	Review of emails from nelson@nticanada.com; summary email to P. Stern on findings review and send same; prepare collections schedule.	2.5
6/1/2015	Koroneos, Anna	Review of account summary from TD Bank and enter into bank summary; telephone discussion with TD Bank regarding same; review of NTI Canada .com email correspondence.	4.5
6/1/2015	Damiani, Stefano	Review email report from A. Koroneos and attachments regarding Hansen properties, N. Guyatt email correspondence etc.	0.3
6/2/2015	Casey, Paul	Email correspondence with A. Koroneos, S. Damiani regarding various matters; status of Innovation Drive sale.	0.2
6/2/2015	Koroneos, Anna	Review of TD Bank statements; discussion with TD Bank on further requirements on deposit information and highlight on printouts and return to TD Bank; discussion with P. Casey regarding same; review of email correspondence from P. Casey and respond to same; discussion with S. Damiani regarding site visit and reporting.	2.5



Date	Professional	Description	Hours
6/2/2015	Damiani, Stefano	On-site attendance at the premises of NTI; meeting with purchaser of inventory and forklift; review available books and records; email correspondence with S. Zuk of Torkin Manes and M. Nowina regarding security documents; telephone discussion and email correspondence with L. DeGues of Marsh regarding 101 Innovation Drive; discussion regarding TD banking information; email correspondence with Torkin Manes regarding title due diligence date; telephone discussion with A. English; review notice of waiver from J. DeMatteis regarding sale of 101 Innovation Drive; additional email correspondence with S. Zuk; reporting email to J. Borch and B. Pettit of HSBC.	4.8
6/3/2015	Koroneos, Anna	Discussion with S. Damiani regarding various issues; format and fill out form for CMI collections, forward to S. Damiani and send to D. Glen of CMI for review.	1.0
6/3/2015	Damiani, Stefano	Review and amend A/R schedule; updating of Report to Court; review of email correspondence from M. Nowina regarding mortgage documents; telephone discussion with CRA Auditor regarding HST, and email correspondence to A. Koroneos regarding same; voicemail to G. Moffat of TGF regarding Court timing, matters relating to upcoming motion; voicemail to P. Casey; review letter from Connect Cabling, and email comments to P. Casey; email correspondence with R. Brown regarding disbursements; instructions to R. Brown re CRA.	4.6
6/4/2015	Koroneos, Anna	Review of A/R collections and enter details in form for CMI; attach invoices and email same; review of daily Blacksun email correspondence.	1.5
6/4/2015	Damiani, Stefano	Email and telephone correspondence with S. Zuk of Torkin Manes; review legal opinion from Torkin Manes regarding mortgage; telephone and email correspondence with Supreme Insurance Brokers; email correspondence with L. DeGues of Marsh regarding certificate of insurance and invoice; telephone discussion with G. Moffat of TGF; drafting of report to Court; voicemail to A. English; telephone discussion with K. Mahar of TGF regarding security review; email and telephone correspondence with Fine & Deo regarding Discharge of Lien documentation re 101 Innovation Drive.	3.3
6/5/2015	Brown, Rose	Completion of on-going trust account banking administration, and disbursement processing.	0.4
6/5/2015	Koroneos, Anna	Review documents and start list of questions for N. Guyatt; discussion with S. Damiani regarding several issues; discussion with Carol regarding payment with R. Brown to request same for overnight; request and receipt of lien discharges.	2.0
6/5/2015	Damiani, Stefano	Review emails regarding Discharge of Lien on 101 Innovation Drive; review email regarding A/R collections agency, comments to A. Koroneos; review invoice, instructions to R. Brown; review draft letter regarding mortgage, correspondence with S. Zuk regarding same; review email to the purchaser's counsel regarding extension of closing date regarding 101 Innovation Drive; drafting of Report to Court; review estate general ledger report and prepare statement of cash receipts and disbursements; email to A. Koroneos regarding Court Report.	5.4

**Summary of Fees**


<b>Professional</b>	<b>Position</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Paul Casey, CPA, CA, CIRP	Partner	5.9	\$600	\$ 3,540.00
Stefano Damiani, CPA, CA, CIRP	Senior Manager	46.1	\$470	21,667.00
Anna Koroneos, CIRP	Manager	33.1	\$350	11,585.00
Bosco Jun Ngai	Analyst	0.5	\$142	71.00
Rose Brown	Trust Administration	1.6	\$110	176.00
<b>Total professional hours and fees</b>		<b>87.2</b>		\$ 37,039.00
HST @ 13%				4,815.07
<b>Total payable</b>				<b>\$ 41,854.07</b>

Payable upon receipt to Deloitte Restructuring Inc.

Remittance information on last page

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.

This is Exhibit B  
in the Affidavit of Paul Casey  
Sworn before me this 19<sup>th</sup> day of  
January 20 16  
A Commissioner, etc.,

  
Anna Koroneos, a Commissioner, etc.,  
Province of Ontario  
for Deloitte Restructuring Inc.,  
Trustee in Bankruptcy,  
Expires July 10, 2016.

**EXHIBIT "B"**

**REFERRED TO IN THE AFFIDAVIT OF PAUL M. CASEY**  
*(Sworn January 19, 2016)*



Deloitte Restructuring Inc.  
5140 Yonge Street  
Suite 1700  
Toronto ON M2N 6L7  
Canada

Tel: 416-601-6150  
Fax: 416-601-6151  
www.deloitte.ca

**Private and Confidential**

HSBC Bank Canada  
70 York Street  
Toronto, ON M5J 1S9

Date: August 11, 2015  
Invoice No: **3885148**  
Client/Mandate No: 752920/1000256  
Billing Partner: Paul Casey

Attention: Mr. John Borch  
Assistant Vice President  
North American Risk

HST Registration No: 122893605

# Invoice #3

For professional services rendered in our capacity as the Court-appointed Receiver and Manager (the "Receiver") of National Telecommunications Inc. ("NTI" or the "Company") for the period from June 6, 2015 to June 26, 2015.

Date	Professional	Description	Hours
6/8/2015	Casey, Paul	Discussions with A. Koroneos and S. Damiani regarding accounts receivable ("A/R"), Court report, and Innovation Drive sale.	0.4
6/8/2015	Damiani, Stefano	Email correspondence with K. Mahar of Thornton Grout Finnigan ("TGF") regarding security opinion; telephone and email correspondence with S. Zuk of Torkin Manes LLP ("Torkin Manes") regarding Addiction Associates mortgage; discussion with A. Koroneos regarding report to Court; review vendor invoices; meeting and emails with P. Casey; review interim account of TGF for April 2015; telephone discussion with D. Glen of Collection Mediators Inc. ("CMI") regarding Connect Cabling account; update report to Court; email to A. Quinto of Connect Cabling; review draft letter by S. Zuk of Torkin Manes.	4.3
6/8/2015	Koroneos, Anna	Discussion with D. Glen regarding approvals on A/R collections; correspondence with Canada Revenue Agency ("CRA") on HST audit and scheduling; discussion with C. Faria on invoice and with S. Damiani on same; work on Court report; discussion with D. Glen on completing account paperwork, and forward some invoices for support; gathering information for report, gathering information for email responses.	5.5
6/9/2015	Casey, Paul	Meetings with S. Damiani regarding A/R collection and Court report; meetings with A. Koroneos regarding investigation; conference call with P. Stern of Stern Landesman Clark ("SLC") and follow-up emails; discussion allocation of costs and proposed distribution to mortgagees; receivership correspondence.	2.0

Date	Professional	Description	Hours
6/9/2015	Damiani, Stefano	Review email proposal from collection agency regarding Connect Cabling, prepare analysis; telephone and email correspondence with D. Glen of CMI; review TGF security opinion; respond to query from real estate broker regarding 101 Innovation Drive; reporting email to HSBC with respect to Connect Cabling offer, and reply from B. Pettit of HSBC on same; discussion with P. Casey; email correspondence with P. Stern of SLC and P. Casey regarding Episolar; review email from Torkin Manes to the purchaser's legal counsel regarding 101 Innovation Drive; discussion with A. Koroneos; email to A. Koroneos regarding Panda and Episolar; prepare interim account package, instructions to C. Faria, and meeting with P. Casey.	3.9
6/9/2015	Koroneos, Anna	Discussion with D. Glen of CMI on A. Quinto offer and forward to S. Damiani; review of email from realtor; discussion with P. Stern of SLC and P. Casey; title search on specific property and review same; work on report to Court; review of email from D. Glen of CMI on Featurecom and forward to S. Damiani.	3.4
6/10/2015	Casey, Paul	Emails regarding Panda Ventures and other investigation matters; Episolar; other estate correspondence; review November 2014 margin certificate.	1.0
6/10/2015	Damiani, Stefano	Emails with HSBC, P. Stern of SLC, P. Casey, and A. Koroneos regarding certain transactions; review general ledger reports, and prepare summary regarding Episolar and Panda; review affidavit of fees of A. English of Torkin Manes; review emails from A. Koroneos to G. Wass of Panda; telephone discussion with D. Glen of CMI regarding Connect Cabling A/R; detailed email to G. Moffat of TGF regarding Connect Cabling release letter; review email from A. Koroneos regarding land title search; voicemail to CRA auditor regarding HST; review comments from A. Koroneos regarding report to Court, and amend same; email from J. DeMatteis, the purchaser's counsel, regarding extension of closing date re 101 Innovation Drive sale; draft correspondence to HSBC.	5.0
6/10/2015	Koroneos, Anna	Discussion with S. Damiani on several matters; with P. Stern of SLC and P. Casey on Episolar and Panda locate details on several issues and send; review of land title search; work on report to Court.	5.0
6/11/2015	Casey, Paul	Discussions with S. Damiani and A. Koroneos regarding Court report; proposed distribution calculation.	1.0
6/11/2015	Damiani, Stefano	Review email from G. Moffat of TGF regarding A/R agreement; review of TGF's bill of costs; email to HSBC with respect to the approval of the Receiver's legal fees; review amendments by A. Koroneos, update report to Court.	3.6
6/11/2015	Koroneos, Anna	Report to Court and gather information.	3.0
6/12/2015	Damiani, Stefano	Review and amend settlement agreement regarding Connect Cabling, and email and telephone correspondence with G. Moffat on same; discussion with P. Casey; instructions to D. Glen of CMI regarding Connect Cabling, telephone and email correspondence on same; review response from Panda; telephone discussion with S. Zuk of Torkin Manes regarding security on 101 Innovation Drive; analysis on sale of building,	3.4

Date	Professional	Description	Hours
		email to HSBC on same; emails with Torkin Manes re status of outstanding documentation from Addiction Associates; meeting with P. Casey.	
6/12/2015	Casey, Paul	Review Connect Cabling settlement letter; meeting with S. Damiani.	1.0
6/12/2015	Koroneos, Anna	Discussion with SunLife regarding cash surrender value and non-payment of premium loan reconciliation; review of prior tax return; discussion with C. Faria regarding file administration; discussion with D. Glen on obtaining invoices for A/R customers; discussion with S. Damiani on affidavit; file documentation.	3.1
6/15/2015	Damiani, Stefano	Update report to Court, and email to P. Casey on same; voicemail and email correspondence with K. Mahar of TGF; voicemail correspondence with P. Lewis of CMI regarding Connect Cabling; email to D. Glen of CMI regarding settlement agreement for Connect Cabling; discussion with P. Casey.	1.3
6/15/2015	Koroneos, Anna	Work on Court report; discussion with D. Glen of CMI on collections and back up.	3.0
6/16/2015	Casey, Paul	Email P. Stern of SLC regarding Episolar; instructions S. Damiani and A. Koroneos; review letter to E. Richardson; telephone conversation with B. Pettit; meeting S. Damiani to review draft Court report.	1.0
6/16/2015	Damiani, Stefano	Emails regarding timing of A/R collection (Otisco); review email and attachment by Panda; email and telephone correspondence with P. Lewis of CMI regarding Connect Cabling; amend report to Court; meeting with A. Koroneos; review email from S. Zuk of Torkin Manes to H. Goldberg of Norman, Goldberg & Co. LLP regarding Addiction Associates; emails to S. Zuk of Torkin Manes regarding security.	2.1
6/16/2015	Koroneos, Anna	Discussions with S. Damiani on Court report, and review same; compile information; email to Otisco on final payment and forward response received from C. Miller; review of email from G. Wass of Panda regarding shipping and forward same.	3.5
6/17/2015	Damiani, Stefano	Numerous emails with P. Stern of SLC, A. Koroneos, and P. Casey regarding Episolar, compile documentation on same; voicemail and email to J. Borch of HSBC; review email from Torkin Manes regarding security, and telephone discussion with K. Mahar or TGF on same; telephone discussion with K. Mahar of TGF regarding motion and other matters; email to S. Zuk and A. English of Torkin Manes; amend report to Court; email to Baker McKenzie regarding documentation; review letter to E. Richardson; review correspondence with N. Guyatt regarding substantial payments made by NTI to two parties.	3.6
6/17/2015	Koroneos, Anna	Discussion with P. Casey and P. Stern on Episolar and meeting with R. Koblinsky of Episolar; gather information and forward; work on Court report; prepare and send to P. Casey letter to E. Richardson regarding investments; finalize and email prepare and send information to G. Moffat of TGF regarding follow up with J. Cirillo on Hansen release.	3.2
6/18/2015	Casey, Paul	Review and comments on draft Court Report; meeting S. Damiani; review of secured charges; telephone conversation with counsel; review Addiction Associates payout statement.	2.5

Date	Professional	Description	Hours
6/18/2015	Damiani, Stefano	Email to N. Guyatt with respect to amounts owing from 2188257 Ontario Inc.; numerous emails with TGF; review comments from P. Casey, amend report to Court; telephone discussion with S. Zuk of Torkin Manes regarding security documentation; review Addiction Associates payout statement prepared by H. Goldberg; review HSBC debt details, prepare summary schedule; discussion with P. Casey; emails with P. Lewis of CMI regarding Connect Cabling negotiations; review correspondence with J. Cirillo and TGF.	4.8
6/18/2015	Koroneos, Anna	Discussion with TGF with Grant and Annette of TGF on J. Cirillo letter, review and read J. Cirillo response; forward e-mails with Forensic IT on emails and review data once received; review of @nitcanada.com emails received recently, identify email from B. Coones; discussions with S. Damiani on Court report; review of request from S. Damiani to N. Guyatt; review and respond to several questions and emails from S. Damiani, search for support and forward.	4.0
6/18/2015	Ngai, Bosco Jun	Compilation of e-mails for A. Koroneos.	-
6/19/2015	Casey, Paul	Review and swear fee affidavit; meeting with S. Damiani regarding Court report; telephone call from G. Moffat of TGF regarding Court report and security interest.	0.8
6/19/2015	Damiani, Stefano	Email correspondence with N. Guyatt and H. Goldberg regarding outstanding financial information; emails with Deloitte Forensics regarding QuickBooks; update Research and Development; emails to TGF regarding Court materials; compile information regarding P. Casey fee affidavit; discussion with P. Casey; compile exhibits for report; telephone call with K. Mahar of TGF.	2.7
6/19/2015	Koroneos, Anna	Review of emails on @nticanada.com; prepare for QA, review report and add information required;	1.7
6/19/2015	Ngai, Bosco Jun	Evidence management and data extraction.	-
6/22/2015	Casey, Paul	Review counsel's comments on Court report; multiple meetings and calls to finalize report; discuss legal opinions and timing for distributions; discussions on other Court relief; set up call with HSBC.	2.0
6/22/2015	Damiani, Stefano	Review comments from TGF regarding report to Court, emails with K. Mahar of TGF on same; telephone discussion and email correspondence with D. Glen of CMI regarding Connect Cabling counteroffer; emails with A. Koroneos on report to Court; attend conference call with TGF and P. Casey; review Torkin Manes letter on security; execute amended settlement agreement regarding Connect Cabling, forward to CMI with instructions; email to N. Guyatt regarding possible assignment in bankruptcy of NTI; update report to Court; email to HSBC and TGF; meeting with P. Casey.	4.7
6/22/2015	Koroneos, Anna	Review of report with S. Damiani on updates; answer questions.	1.0
6/23/2015	Brown, Rose	Trust Banking administration, disbursement cheques.	0.3
6/23/2015	Casey, Paul	Attend conference call with counsel and bank to finalize Court report for approval of land and building sale; revise and issue report; review exhibits; telephone conversation with J. Borch; review response to N. Guyatt to request assignment in bankruptcy.	2.0

Date	Professional	Description	Hours
6/23/2015	Damiani, Stefano	Attend conference call with HSBC and TGF; email and telephone correspondence with K. Mahar of TGF; email and telephone correspondence with S. Zuk of Torkin Manes; emails to A. Koroneos; amend and finalize report to Court, forward to K. Mahar for comments; review letter from TGF, provide comments to K. Mahar; review Addiction Associates extension agreement; review draft Orders, provide comments to K. Mahar on same; discussions with C. Hristow regarding QA review; telephone discussion with D. Glen of CMI regarding Connect Cabling; instructions to C. Faria regarding Receiver's website.	4.7
6/23/2015	Hristow, Catherine	QA court report; discussion with P. Casey.	0.7
6/23/2015	Koroneos, Anna	Review of bank receipt for NTI US and Canadian accounts enter into banking schedule, and correspondence with R. Penstone of HSBC on same.	5.0
6/23/2015	Ngai, Bosco Jun	Segregate QuickBooks files, as requested.	-
6/24/2015	Brown, Rose	Trust Banking administration, deposit.	0.3
6/24/2015	Casey, Paul	Emails with HSBC regarding court application and related communication; email from A. Koroneos regarding A/R collections.	0.7
6/24/2015	Damiani, Stefano	Emails with K. Mahar of TGF regarding service list and motion record; follow up email to Marsh Insurance; review HSBC letter and comments to P. Casey; voicemail to CRA regarding HST audit; emails to A. Koroneos; compile QA information package.	4.4
6/24/2015	Koroneos, Anna	Discussion with CRA on HST and Payroll audits and amounts due including missing returns; with S. Damiani on status of HST audit and scheduling same; email to J. Borch of HSBC and team on Otisco cheque and instructions to R. Brown for deposit.	1.0
6/25/2015	Casey, Paul	Correspondence with J. Borch of HSBC; meeting S. Damiani regarding Connect Cabling collection.	0.3
6/25/2015	Damiani, Stefano	Voicemail correspondence with representative of Bankruptcy Highway regarding Honda Finance; voicemail correspondence with CRA regarding HST audit; meeting with A. Koroneos; email correspondence with K. Mahar of TGF; email correspondence with CMI regarding Connect Cabling account; reporting email to HSBC regarding Connect Cabling.	1.8
6/25/2015	Koroneos, Anna	Telephone conversation regarding invoice received from lighting work completed at 101 Innovation Drive which is addressed to and was signed by A. Quinto; compile information.	1.3
6/26/2015	Damiani, Stefano	On-site attendance at the premises of NTI; meeting with CRA representative with respect to HST audit; review emails from P. Stern of SLC and B. Pettit of HSBC; review books and records on-site and arrange for transfer to office; email and telephone correspondence with purchaser of the inventory, and send email to HSBC on same; telephone discussion with D. Glen of CMI regarding Connect Cabling, review of proposed release request from Connect Cabling; review email by N. Guyatt regarding 2334720.	4.6
6/26/2015	Koroneos, Anna	Prepare for and attend at company's premise to meet for CRA audit and box records; review of documents while boxing.	6.0



**Summary of Fees**

<b>Professional</b>	<b>Position</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Paul Casey, CPA, CA, CIRP	Senior Vice President	14.7	\$ 600	\$ 8,820.00
Catherine Hristow, CPA, CMA, CIRP	Director	0.7	\$ 525	367.50
Stefano Damiani, CPA, CA, CIRP	Vice President	54.9	\$ 470	25,803.00
Anna Koroneos, CIRP	Manager	49.7	\$ 350	17,395.00
Rose Brown	Trust Administration	0.6	\$ 110	66.00
<b>Total professional hours and fees</b>		<b>120.6</b>		<b>\$ 52,451.50</b>
<b>Disbursements</b>				
PPSA reports				\$ 168.50
Ground transportation				148.87
Electronic storage device for Canada Revenue Agency re HST audit				26.22
<b>Total disbursements</b>				<b>\$ 343.59</b>
<b>Total professional fees and disbursements</b>				<b>\$ 52,795.09</b>
HST @ 13%				6,863.36
<b>Total payable</b>				<b>\$ 59,658.45</b>

Payable upon receipt to Deloitte Restructuring Inc.

Remittance information on last page

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.



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Suite 1700  
Toronto ON M2N 6L7  
Canada

Tel: 416-601-6150  
Fax: 416-601-6151  
www.deloitte.ca

**Private and Confidential**

HSBC Bank Canada  
70 York Street  
Toronto, ON M5J 1S9

Attention: Mr. John Borch  
Assistant Vice President  
North American Risk

Date: August 14, 2015  
Invoice No: **Draft**  
Client/Mandate No: 752920/1000256  
Billing Partner: Paul Casey

HST Registration No: 122893605

# Invoice #4

For professional services rendered in our capacity as the Court-appointed Receiver and Manager (the "Receiver") of National Telecommunications Inc. ("NTI" or the "Company") for the five-week period from June 27, 2015 to July 31, 2015.

Date	Professional	Description	Hours
6/29/2015	Casey, Paul	Emails regarding Court preparation.	0.1
6/29/2015	Damiani, Stefano	Review books and records; emails to A. Koroneos; review correspondence from CRA; email correspondence with D. Glen of CMI regarding Connect Cabling; review correspondence from Thornton Grout Finnigan LLP ("TGF") regarding Court hearing; email to P. Casey regarding Broadconnect and Gusto invoice.	2.8
6/29/2015	Koroneos, Anna	Discussion with D. Glen and S. Damiani on receivables; respond to questions in preparation for court attendance; discussion with S. Damiani; review of emails, locate background emails from N. Guyatt.	3.1
6/30/2015	Brown, Rose	Trust Banking administration, disbursement cheque and deposit.	0.8
6/30/2015	Damiani, Stefano	Email and telephone correspondence with S. Zuk of Torkin Manes LLP; numerous emails with information to A. Koroneos regarding Court attendance; emails with P. Casey on several matters; review Marsh Insurance letter, invoice and certificate, and provide instructions to R. Brown; emails with K. Mahar of TGF; review Court Orders and Endorsement of Conway J.; instructions to C. Faria regarding Receiver's website; discussion with P. Casey; draft email to N. Guyatt regarding bankruptcy; telephone discussion with A. English of Torkin Manes regarding closing date; review reporting email to HSBC Bank Canada (the "Bank"); telephone discussion with K. Mahar of TGF; banking instructions to R. Brown.	3.6

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
6/30/2015	Casey, Paul	Prepare and attend at the Ontario Superior Court of Justice; review follow up emails to N. Guyatt and the Bank.	3.5
6/30/2015	Koroneos, Anna	Review of TD deposits received and enter information into banking summary; prepare for and attendance at court regarding approval of sale of 101 Innovation Drive and order approving assignment in bankruptcy; continue review of invoices for filing; draft notes from records found.	3.7
7/2/2015	Brown, Rose	Trust Banking administration, reconcile General Ledger to Bank Statement and prepare disbursement cheques.	0.9
7/2/2015	Damiani, Stefano	Review email from A. English of Torkin Manes to J. DeMatteis regarding closing date; review response from J. DeMatteis; telephone discussion with J. Seiverd (VP Operations) of CMI regarding A/R; review records.	1.3
7/2/2015	Koroneos, Anna	Organizing records and key customers; review of amounts in and out for each key customer found and files.	3.5
7/3/2015	Brown, Rose	Trust Banking administration, prepare disbursement cheques.	0.5
7/3/2015	Damiani, Stefano	Voicemail correspondence with CRA auditor; review of records; email to A. Koroneos regarding QuickBooks.	1.4
7/6/2015	Damiani, Stefano	E-mails with A. English of Torkin Manes regarding closing date for 101 Innovation Drive; e-mails with A. Koroneos regarding utilities; telephone discussion with J. Seiverd (VP, CMI) regarding Connect Cabling call; e-mail to A. Koroneos regarding letter to J. Cirillo; file administration.	1.6
7/6/2015	Koroneos, Anna	Continuation of entering deposit information found on site and reconciling with bank statements; review of redirected mail and respond where required; review emails.	4.0
7/7/2015	Damiani, Stefano	E-mail to E. Haynes of Marsh regarding insurance for 101 Innovation Drive; e-mail and telephone correspondence with K. Mahar of TGF regarding query from Addiction Associates' counsel; review follow up e-mail to E. Richardson regarding Gusto and Episolar matters; e-mail to A. English of Torkin Manes regarding closing date; e-mail to D. Glen of CMI regarding Featurecom A/R.	0.6
7/7/2015	Koroneos, Anna	Review of redirected mail and respond where required; review e-mail correspondence.	0.7
7/8/2015	Damiani, Stefano	Review e-mails from the purchaser's counsel and Torkin Manes regarding closing date; e-mail and telephone correspondence with J. Sieverd (VP, CMI) regarding updated negotiations with Connect Cabling; e-mail and telephone correspondence with Torkin Manes regarding property taxes and statement of adjustments; voicemail and e-mail to C. Palazzotto of First Service Residential regarding maintenance fees; review J. Cirillo letter package dated July 8, 2015.	1.3
7/9/2015	Damiani, Stefano	E-mail correspondence with representatives of First Service Residential regarding 101 Innovation Drive, and review July 2015 invoice and Status Certificate; e-mails with S. Zuk of Torkin Manes; review statement of adjustments and provide comments to Torkin Manes.	0.4

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
7/9/2015	Koroneos, Anna	Review of email from the property management company for amount due and certificate, and discussion with S. Damiani on same.	0.3
7/10/2015	Damiani, Stefano	Draft reporting e-mail to the Bank; review voicemail and e-mail summary from CMI regarding Connect Cabling offer, and respond with instructions.	0.8
7/10/2015	Koroneos, Anna	Discussion regarding J. Cirillo and the Hansen property; review of documents and "@nticanada" email with banking attachment.	0.7
7/13/2015	Damiani, Stefano	On-site attendance at NTI's premises; review detailed email correspondence from J. DeMatteis acting for the purchaser, and Torkin Manes, regarding 101 Innovation Drive; email correspondence with J. Sieverd of CMI regarding Connect Cabling; telephone discussion with S. Zuk of Torkin Manes regarding closing book matters; issue update email to the Bank; arrangements regarding removal of items from property before closing of sale transaction; discussions with A. Koroneos; comments to A. Koroneos regarding call/meeting agenda.	4.3
7/13/2015	Koroneos, Anna	On-site attendance at 101 Innovation Drive, review records and arrange transportation and storage of same; correspondence with N.Guyatt with respect to items on-site; call to counsel and draft agenda call; discussion with records management and with administration on pick up; organize storage of records.	5.0
7/14/2015	Casey, Paul	Attend call with the Bank and counsel regarding status of receivership; discussion A. Koroneos regarding removal of books and records from 101 Innovation Drive.	0.6
7/14/2015	Damiani, Stefano	On-site attendance at NTI's premises; make arrangements for disposal of items in advance of closing of sale transaction for 101 Innovation Drive; attendance on conference call with the Bank and counsel; email correspondence with K. Mahar of TGF with respect to 101 Innovation Drive, Addiction Associates' second charge, other; follow up e-mail to CMI regarding Featurecom; telephone and email correspondence with S. Zuk of Torkin Manes; instructions to R. Brown; attend at the offices of Torkin Manes to review and execute closing book documents.	6.3
7/14/2015	Koroneos, Anna	On-site at 101 Innovation Drive to attend to prepare property for sale transaction closing and arrange for transfer of records; emails and calls to utilities to take final readings; with R. Brown on payments; conference call with counsel and the Bank on status and going forward.	5.5
7/15/2015	Casey, Paul	Meeting S. Damiani to discuss real estate closing; purchaser refusal to sign waiver of conditions; discuss next steps and open points for distribution motion; review Connect Cabling correspondence.	1.0

Date	Professional	Description	Hours
7/15/2015	Damiani, Stefano	Review e-mail correspondence by the Purchaser's legal counsel and Torkin Manes regarding closing book documents and waiver; telephone and e-mail correspondence with S. Zuk of Torkin Manes; discussion with P. Casey; review e-mail from E. Richardson regarding Gusto and Episolar, and send email to the Bank on same; execute amended joint confirmation of conditions regarding 101 Innovation Drive; banking instructions to R. Brown and Torkin Manes regarding closing proceeds; review amended settlement agreement initialed by A. Quinto of Connect Cabling, and provide comments to collection agency; emails with D. Glen of CMI regarding Featurecom; telephone discussion with J. Seivard of CMI regarding Connect Cabling; telephone discussion and emails with A. Riches of Torkin Manes regarding closing matters; review letter from A. Price, counsel to Addiction Associates, and comments to S. Zuk of Torkin Manes on same; reporting email to the Bank; email to C. Lee of the Bank regarding NTI's indebtedness to the Bank; execute amended agreement with Connect Cabling, and email instructions to collection agency on same; emails with K. Mahar of TGF.	5.4
7/16/2015	Brown, Rose	Trust banking administration, disbursement cheques and deposit.	0.6
7/16/2015	Damiani, Stefano	Email correspondence with E. Haynes of Marsh Insurance regarding final insurance invoice for 101 Innovation Drive; review email from A. Riches of Torkin Manes regarding trust reconciliation and statement of adjustments, and provide instructions to R. Brown on same.	0.7
7/17/2015	Damiani, Stefano	Review email from E. Haynes of Marsh Insurance; emails with D. Glen of CMI.	0.2
7/20/2015	Casey, Paul	Meeting S. Damiani to discuss action plan and distribution/allocation methodology.	0.2
7/20/2015	Damiani, Stefano	Banking instructions to R. Brown; email to TGF regarding interim account; email and telephone correspondence with CMI regarding Connect Cabling; review package from Connect Cabling regarding settlement funds, and send reporting email to the Bank; additional emails with CMI regarding other accounts receivable; email to S. Zuk of Torkin Manes regarding Addiction Associates; email to TGF regarding settlement with Connect Cabling.	1.8
7/20/2015	Brown, Rose	Trust Banking Administration; deposit.	0.3
7/22/2015	Casey, Paul	Review transcript of Goldberg Court submissions for Innovation Drive sale approval; email to counsel.	0.3
7/22/2015	Damiani, Stefano	E-mails with TGF and P. Casey; review transcript of Court hearing on June 30, 2015; email to J. Borch of the Bank with respect to the Bank's charge on 101 Innovation Drive; emails with S. Zuk of Torkin Manes and K. Mahar of TGF regarding Addiction Associates; telephone call with K. Mahar of TGF regarding Court report to support distribution motion, and Addiction Associates's second mortgage charge; telephone discussion with Enbridge regarding final account for 101 Innovation Drive; banking instructions to R. Brown; emails with collection agency regarding settlement negotiations (Featurecom).	1.6
7/22/2015	Brown, Rose	Trust Banking Administration; disbursement cheques.	0.4

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
7/23/2015	Casey, Paul	Meeting S. Damiani to discuss future court report, allocation of direct and indirect costs and fees, other distribution activities.	0.5
7/24/2015	Damiani, Stefano	Email and telephone correspondence with J. Borch of the Bank; review updated schedule of indebtedness to the Bank.	0.7
7/28/2015	Damiani, Stefano	Follow-up email to D. Glen of CMI regarding invoice; email correspondence with S. Zuk of Torkin Manes regarding legal opinion on second charge.	0.3
7/29/2015	Damiani, Stefano	Review security documentation provided by Addiction Associates counsel to Torkin Manes, and emails to S. Zuk; emails with representatives of collection agency; telephone discussion with S. Zuk of Torkin Manes; review email from K. Mahar of TGF; telephone discussion with J. Borch of the Bank; email to K. Mahar of TGF regarding security.	1.6
7/30/2015	Damiani, Stefano	Review invoice from Marsh regarding insurance, and instructions to R. Brown on same; commence allocation analysis for upcoming distribution motion.	2.2
7/31/2015	Damiani, Stefano	Analysis relating to upcoming distribution; file administration.	2.0

**Summary of Fees**

<b>Professional</b>	<b>Position</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Paul Casey, CPA, CA, CIRP	Senior Vice President	6.2	\$ 600	\$ 3,720.00
Stefano Damiani, CPA, CA, CIRP	Vice President	40.9	\$ 470	19,223.00
Anna Koroneos, CIRP	Manager	26.5	\$ 350	9,275.00
Rose Brown	Trust Administration	3.5	\$ 110	385.00
<b>Total professional hours and fees</b>		<u>77.1</u>		\$ 32,603.00
<b>Disbursements</b>				
Ground transportation				\$ 115.77
Waste removal and clean-up costs re 101 Innovation Drive				526.00
<b>Total disbursements</b>				\$ 641.77
<b>Total professional fees and disbursements</b>				\$ 33,244.77
HST @ 13%				4,321.82
<b>Total payable</b>				<b>\$ 37,566.59</b>

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**Private and Confidential**

HSBC Bank Canada  
70 York Street  
Toronto, ON M5J 1S9

Attention: Mr. John Borch  
Assistant Vice President  
North American Risk

Date: September 18, 2015  
Invoice No: **3905998**  
Client/Mandate No: 752920/1000256  
Billing Partner: Paul Casey  
HST Registration No: 122893605

# Invoice #5

For professional services rendered in our capacity as the Court-appointed Receiver and Manager (the "Receiver") of National Telecommunications Inc. ("NTT" or the "Company") for the period from August 1, 2015 to August 31, 2015.

Date	Professional	Description	Hours
7/8/2015	Koroneos, Anna	Emails and calls to property manager of 101 Innovation Drive to obtain and invoice and Certificate of Standing and with S. Damiani on same; with Bell Canada on service cancellation and final billing; with R. Brown on reconciling what was paid to Bell and the difference owing. *(time not captured on prior account)	1.0
8/4/2015	Damiani, Stefano	Review property tax bill re 101 Innovation Drive, and e-mail correspondence with J. De Matteis, the purchaser's counsel, on same; instructions to N. Wilson regarding file administration.	0.8
8/6/2015	Damiani, Stefano	E-mail to S. Zuk of Torkin Manes LLP ("TM"); commence review and amend interim account package, prepare analysis; file administration.	2.6
8/7/2015	Damiani, Stefano	Prepare interim account package to June 26, 2015 and related analysis; file administration.	3.3
8/10/2015	Damiani, Stefano	Meeting with P. Casey on file status; call and e-mails with K. Mahar of Thornton Grout Finnigan LLP ("TGF"); e-mail to J. Sieverd of CMI regarding accounts receivable collections ("A/R"); review estate general ledger report; prepare updated statement of receipts and disbursements ("R&D"); attend conference call with legal counsel and P. Casey; file administration.	3.3



<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
8/10/2015	Casey, Paul	Attend conference call with TGF re: distribution motion and fee/cost allocation methodologies.	0.5
8/11/2015	Damiani, Stefano	Prepare interim account package and analysis; meeting with P. Casey; distribution analysis; file administration; instructions to N. Wilson;	3.6
8/12/2015	Casey, Paul	Meeting with S. Damiani to review R&D and allocation of fees and costs; account correspondence.	0.6
8/12/2015	Damiani, Stefano	Prepare interim account, submit to P. Casey; prepare allocation analysis, and meeting with P. Casey on same; prepare schedule and e-mail to K. Mahar re: same; draft correspondence to the HSBC Bank Canada (the "Bank"); review accounts of TGF and TM; banking instructions to R. Brown; additional file administration with respect to the 3rd and 4th interim accounts of the receiver; instructions to N. Wilson; review e-mail to D. Glen of CMI re collection activity.	4.4
8/13/2015	Damiani, Stefano	Review e-mails from K. Mahar and P. Casey; amend allocation schedule; review correspondence with D. Glen regarding A/R collections; commence drafting Second Report to Court Report ("Second Report").	4.6
8/13/2015	Brown, Rose	Trust Banking Administration - Disbursement cheques.	0.3
8/14/2015	Casey, Paul	Meeting with S. Damiani regarding status of court report.	0.2
8/14/2015	Damiani, Stefano	E-mail correspondence with TM regarding status of closing book; telephone discussion with K. Mahar; banking matters with R. Brown; file administration; instructions to N. Wilson.	1.6
8/17/2015	Damiani, Stefano	Banking instructions to R. Brown; review e-mail correspondence from the Bank and P. Casey; update actual and forecast R&D schedules, allocation analysis, and detailed e-mail to P. Casey on same; review e-mail from K. Mahar.	3.1
8/17/2015	Brown, Rose	Estate Administration - email creditor packages as requested.	0.1
8/17/2015	Casey, Paul	Email the Bank re: distribution motion; discussion with S. Damiani re: schedules required.	0.3
8/18/2015	Damiani, Stefano	E-mail correspondence with P. Casey with respect to R&D; e-mail correspondence and telephone discussion with K. Mahar; amendments to R&D, e-mail to counsel.	0.8
8/19/2015	Damiani, Stefano	Review e-mail from K. Mahar to counsel to Addiction Associates.	0.1
8/20/2015	Damiani, Stefano	E-mail from TM regarding closing book re 101 Innovation Drive sale, and instructions to R. Brown on same;	0.2

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
8/25/2015	Damiani, Stefano	Review e-mail correspondence with D. Glen of CMI re A/R collection status re: Telquest;	0.1
8/26/2015	Damiani, Stefano	Banking instructions to R. Brown on CMI invoice re A/R commission;	0.1
8/26/2015	Brown, Rose	Estate Administration - Disbursement cheques.	0.5
8/27/2015	Damiani, Stefano	Telephone and e-mail correspondence with J. Sievard of CMI re two customers, and banking instructions to R. Brown on same; update the R&D, and prepare schedule for the Second Report; amendments to the Second Report, and telephone call with P. Casey on same; e-mail to A. Koroneos on affidavit of fees; e-mail to TM and TGF regarding affidavit of fees.	5.3
8/27/2015	Casey, Paul	Review and swear Affidavit of Fees; attend to court report matters; telephone discussion with S. Damiani and discuss the court report.	1.5
8/28/2015	Casey, Paul	Review and comment on Second Report.	1.0
8/28/2015	Damiani, Stefano	Telephone discussion with A. Koroneos regarding R&D; review P. Casey comments on Second Report, and amend accordingly; e-mail draft Second Report to TGF; review affidavit of fees sworn by S. Zuk, and comments to TM on same;	1.9
8/31/2015	Damiani, Stefano	Review e-mail correspondence from K. Mahar and G. Moffat of TGF; telephone discussion with G. Moffat; amend the Second Report and e-mail to C. Hristow with respect to QA review;	0.9
8/31/2015	Koroneos, Anna	Review of e-mail correspondence re: credit on an NTI account and request credit payment to be payable to Receiver.	0.3
8/31/2015	Brown, Rose	Trust banking administration – deposit of Connect Cabling installement.	0.5

**Summary of Fees**

<b>Professional</b>	<b>Position</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Paul Casey, CPA, CA, CIRP	Senior Vice President	4.1	\$ 600	\$ 2,460.00
Stefano Damiani, CPA, CA, CIRP	Senior Manager	36.7	\$ 470	17,249.00
Anna Koroneos, CIRP	Manager	1.3	\$ 350	455.00
Rose Brown	Trust Administration	1.4	\$ 110	154.00
<b>Total professional hours and fees</b>		<b>43.5</b>		<b>\$ 20,318.00</b>
<b>Disbursements:</b>				
Travel expenses	\$23.00			23.00
<b>Total fees and disbursements</b>				<b>\$ 20,341.00</b>
HST on fees and disbursements @ 13%				<b>2,644.33</b>
<b>Total payable</b>				<b>\$ 22,985.33</b>

Remittance information on last page

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### Private and Confidential

HSBC Bank Canada  
70 York Street  
Toronto, ON M5J 1S9

Date: November 18, 2015  
Invoice No: **3941617**  
Client/Mandate No: 752920/1000256  
Billing Partner: Paul Casey

Attention: Mr. John Borch  
Assistant Vice President  
North American Risk

HST Registration No: 122893605

# Invoice #6

For professional services rendered in our capacity as the Court-appointed Receiver and Manager (the "Receiver") of National Telecommunications Inc. ("NTI" or the "Company") for the two-month period from September 1, 2015 to October 31, 2015.

Date	Professional	Description	Hours
9/1/2015	Damiani, Stefano	Review affidavit of fees of G. Moffat of Thornton Grout Finnigan LLP ("TGF"); emails with B. Brinkman of TGF; review email regarding credit to NTI; update call with P. Casey; email to G. Moffat; email to A. Koroneos regarding Receipts and Disbursements ("R&D"); review comments from C. Hristow on Court Report.	1.9
9/1/2015	Hristow, Catherine	Review draft Court Report.	0.7
9/3/2015	Damiani, Stefano	Review email update from TGF; voicemail to G. Moffat of TGF; review banking email from R. Brown regarding Connect Cabling deposit.	0.1
9/10/2015	Casey, Paul	Telephone discussion with G. Moffat regarding Distribution motion.	0.3
9/17/2015	Koroneos, Anna	File administration.	-
9/18/2015	Koroneos, Anna	Finalize interim account package.	-
9/22/2015	Damiani, Stefano	Review email from K. Mahar of TGF; review email correspondence; banking instructions to R. Brown; voicemail correspondence with K. Mahar.	0.4
9/23/2015	Damiani, Stefano	Telephone call with K. Mahar regarding Court timing and request from counsel to Addiction Associates.	0.2
9/24/2015	Brown, Rose	Trust account administration.	0.4
9/24/2015	Casey, Paul	Meeting with S. Damiani to discuss fee allocation methodology and other receivership administration.	0.2
9/30/2015	Brown, Rose	Trust account administration.	0.3

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
10/5/2015	Brown, Rose	Banking Administration - review online banking report to confirm deposit.	0.3
10/5/2015	Damiani, Stefano	Email to R. Brown regarding Connect Cabling installment.	0.1
10/15/2015	Damiani, Stefano	Review correspondence from collection agency; instructions to R. Brown; discussion with A. Koroneos regarding Canada Revenue Agency ("CRA") request.	0.7
10/20/2015	Damiani, Stefano	Review R&D, compile information requested by counsel; review CMI account, send detailed email to J. Sievard of CMI; file administration.	1.9
10/26/2015	Damiani, Stefano	Draft letter to CRA regarding Receiver's branch HST RT0002 account, and instructions to C. Faria regarding same.	0.4
10/28/2015	Damiani, Stefano	Email and telephone correspondence with collection agency; review invoices and general ledger, banking instructions to R. Brown.	0.7
10/29/2015	Damiani, Stefano	Preparation of fee allocation by invoice, review accounts and perform analysis; file administration.	4.6
10/30/2015	Damiani, Stefano	Emails with J. Sievard of CMI regarding Connect Cabling deposit, and statement of account; continue fee allocation analysis.	2.8

**Summary of Fees**

<b>Professional</b>	<b>Position</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Paul Casey, CPA, CA, CIRP	Senior Vice President	0.5	\$600	\$ 300.00
Catherine Hristow, CPA, CMA, CIRP	Director	0.7	\$525	367.50
Stefano Damiani, CPA, CA, CIRP	Vice President	13.8	\$470	6,486.00
Rose Brown	Trust Administration	1.0	\$110	110.00
<b>Total professional hours and fees</b>		<u><b>16.0</b></u>		\$ 7,263.50
HST @ 13%				944.26
<b>Total payable</b>				<b>CAD \$ 8,207.76</b>

Remittance information on last page

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.



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### Private and Confidential

HSBC Bank Canada  
70 York Street  
Toronto, ON M5J 1S9

Attention: Mr. John Borch  
Assistant Vice President  
North American Risk

Date: December 10, 2015  
Invoice No: **3959173**  
Client/Mandate No: 752920/1000256  
Billing Partner: Paul Casey

HST Registration No: 122893605

# Invoice #7

For professional services rendered in our capacity as the Court-appointed Receiver and Manager (the "Receiver") of National Telecommunications Inc. ("NTI" or the "Company") for the one-month period from November 1, 2015 to November 30, 2015.

Date	Professional	Description	Hours
11/2/2015	Brown, Rose	Trust banking administration; deposit and disbursement cheque.	0.5
11/4/2015	Damiani, Stefano	Review email from Credit Mediators ("CMI") regarding statement of account, and instructions to R. Brown on same.	0.1
11/5/2015	Damiani, Stefano	Banking instructions to R. Brown regarding Connect deposit, and email to CMI regarding collection invoice.	0.1
11/12/2015	Damiani, Stefano	Telephone discussion with B. Roberts of CMI regarding status of collections.	0.2
11/13/2015	Damiani, Stefano	Email to CMI regarding invoice; prepare interim account package and allocation analysis; instructions to R. Brown.	1.1
11/16/2015	Casey, Paul	Meeting with S. Damiani to discuss upcoming distribution motion and email to HSBC.	0.5
11/16/2015	Damiani, Stefano	Meeting with P. Casey; finalize interim account; instructions to C. Faria and file administration.	0.2
11/17/2015	Brown, Rose	Trust banking administration; deposit and disbursement cheque.	0.3
11/17/2015	Damiani, Stefano	Follow up email to K. Kailian of CMI, review invoice and banking instructions to R. Brown; review estate general ledger report and prepare statement of receipts and disbursements ("R&D").	1.3

<b>Date</b>	<b>Professional</b>	<b>Description</b>	<b>Hours</b>
11/18/2015	Damiani, Stefano	Update R&D schedules and allocation analysis; analysis of fifth interim account; review three interim bills of costs of Thornton Grout Finnigan LLP ("TGF"), and telephone discussion with B. Brinkman of TGF on same; draft email to HSBC; review confirmation letter from Canada Revenue Agency ("CRA") regarding Receiver's branch HST account.	1.8
11/19/2015	Casey, Paul	Review R&D; meetings with S. Damiani and detailed review of fee allocation; telephone conversation and reporting to J. Borch of HSBC.	3.0
11/19/2015	Damiani, Stefano	Review CRA letter and preliminary audit findings with respect to its HST audit; amend R&D and reporting email to HSBC; discussions with P. Casey; prepare summary and supporting schedules for requested allocation methodologies.	2.3
11/19/2015	Koroneos, Anna	Correspondence with CRA representative on HST audit and adjustments; review of reporting email and discussion with P. Casey and S. Damiani on same.	0.7
11/20/2015	Casey, Paul	Continue detailed review of time entries for allocation between real property, working capital assets and other matters; discussion with S. Damiani; review TGF bill and costs; review email with counsel.	2.5
11/20/2015	Damiani, Stefano	Allocation analysis and discussions with P. Casey on same; email correspondence with K. Mahar of TGF.	1.9
11/23/2015	Damiani, Stefano	Prepare and attend call with K. Mahar of TGF and P. Casey; prepare reconciliation and e-mail same to K. Mahar.	1.4
11/25/2015	Damiani, Stefano	Telephone discussion with K. Mahar of TGF, and review email on same; reporting email to J. Borch of HSBC; commence updating of Court Report.	1.8
11/26/2015	Damiani, Stefano	Email and voicemail to B. Roberts of CMI regarding outstanding A/R.	0.2
11/27/2015	Damiani, Stefano	Email and telephone correspondence with purchaser of inventory, and email summary to P. Casey.	1.0
11/30/2015	Damiani, Stefano	Email to HSBC; telephone discussion with B. Roberts of CMI regarding outstanding accounts; voicemail to A. McClure of CMI regarding specific account and next steps.	0.7




### Summary of Fees

<b>Professional</b>	<b>Position</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Paul Casey, CPA, CA, CIRP	Senior Vice President	6.0	\$600	\$ 3,600.00
Stefano Damiani, CPA, CA, CIRP	Vice President	14.1	\$470	6,627.00
Anna Koroneos, CIRP	Manager	0.7	\$350	245.00
Rose Brown	Trust Account Administrator	0.8	\$110	88.00
<b>Total professional hours and fees</b>		<u><b>21.6</b></u>		\$ 10,560.00
HST @ 13%				1,372.80
<b>Total payable</b>				<b>\$ 11,932.80</b>

Remittance information on last page

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

This is Exhibit "C" <sup>7916</sup>  
in the Affidavit of Paul Casey  
Sworn before me this 19<sup>th</sup> day of  
January 2016  
A Commissioner, etc., 

Anna Koroneos, a Commissioner, etc..  
Province of Ontario  
for Deloitte Restructuring Inc..  
Trustee in Bankruptcy,  
Expires July 10, 2016.

## EXHIBIT "C"

REFERRED TO IN THE AFFIDAVIT OF PAUL M. CASEY  
(Sworn January 19, 2016)

## EXHIBIT "C"

**Calculation of Average Hourly Billing Rates of  
Deloitte Restructuring Inc.  
for the period June 6, 2015 to November 30, 2015**

<b>Invoice #</b>	<b>Fees</b>	<b>Disbursements</b>	<b>HST</b>	<b>Total Invoice Amount</b>	<b>Hours</b>	<b>Average Hourly Fee Rate</b>
3885148	\$ 52,451.50	\$ 343.59	\$ 6,863.36	\$ 59,658.45	120.6	\$ 434.92
3887040	\$ 32,603.00	\$ 641.77	\$ 4,321.82	\$ 37,566.59	77.1	\$ 422.87
3905998	\$ 20,318.00	\$ 23.00	\$ 2,644.33	\$ 22,985.33	43.5	\$ 467.08
3941617	\$ 7,263.50	\$ -	\$ 944.26	\$ 8,207.76	16.0	\$ 453.97
3959173	\$ 10,560.00	\$ -	\$ 1,372.80	\$ 11,932.80	21.6	\$ 488.89
<b>Total</b>	<b>\$ 123,196.00</b>	<b>\$ 1,008.36</b>	<b>\$ 16,146.57</b>	<b>\$ 140,350.93</b>	<b>278.8</b>	<b>\$ 441.88</b>

HSBC BANK CANADA

-Applicant -  
- and -

NATIONAL TELECOMMUNICATIONS INC.

- Respondents -

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
(Commercial List)

(PROCEEDING COMMENCED AT TORONTO)

**AFFIDAVIT OF PAUL CASEY**  
Deloitte Restructuring Inc.

DELOITTE RESTRUCTURING INC.  
Court-appointed Receiver and Manager  
National Telecommunications Inc.  
181 Bay Street, Suite 1400  
Toronto ON M5J 2V1

**Paul Casey, CPA, CA, CIRP**  
**Telephone: 416-775-7172**  
**Facsimile: 416-601-6690**

**HSBC BANK CANADA**

Applicant

and

**NATIONAL TELECOMMUNICATIONS INC.**  
Respondent

Court File No.: CV-15-10921-00CL

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*ONTARIO*  
**SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at **Toronto**

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**SUPPLEMENTAL REPORT  
TO THE SECOND REPORT OF THE RECEIVER  
JANUARY 19, 2016**

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**Thornton Grout Finnigan LLP**  
Barristers & Solicitors  
Suite 3200, TD West Tower  
100 Wellington Street West  
P.O. Box 329, Toronto-Dominion Centre  
Toronto, ON M5K 1K7

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Lawyers for the Receiver