

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

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C., 1985 c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF NELSON FINANCIAL GROUP LTD.

Applicant

**AFFIDAVIT OF RICHARD B. JONES
(Sanction motion returnable April 20, 2011)**

I, **Richard B. Jones**, Barrister and Solicitor, of the City of Toronto in the Province of Ontario, make oath and say:

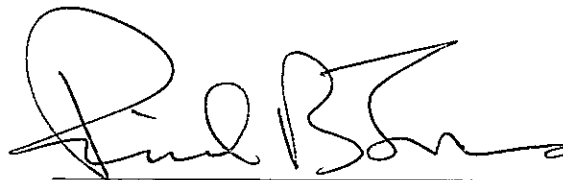
- 1 I am Special Counsel to the Representative Counsel to the Noteholders of Nelson Financial Group Ltd. retained by the Representative Counsel in accordance with the direction of the Madama Justice Pepall contained in the Order of June 15, 2010 appointing him. I have also been retained, with the consent of the Representative Counsel, as counsel by the Interim Operating Officer (the "IOO") appointed by the Order of Madama Justice Pepall made on November 22, 2010.
- 2 On Wednesday, April 13, 2011, I appeared in those capacities on a 9:30 Chambers attendance in response to a request for scheduling of motion brought by Gloria Bissell and Globis Administrators Inc. seeking to adjourn the meeting of creditors scheduled by the Plan Filing and Meeting Order of March 4, 2011 and other relief. Now produced and marked as Exhibit 1 to this my affidavit is a true copy of the endorsement of Madama Justice Mesbur made at that time on consent.
- 3 In accordance with paragraph 1 of the endorsement, I caused an email to be sent to all noteholders for whom email addresses were known to the Representative Counsel or the IOO. Now produced and marked as Exhibit 2 to this my affidavit is a true copy of the email that was sent to the noteholders at 4:27 pm on April 13, 2011.
- 4 In accordance with the terms of paragraph 3 of the endorsement, I received an email from the solicitor for Ms. Bissell at 11:15 pm on April 13, 2011 containing the text of a communication that she wished to send to the noteholders. Now produced and marked as Exhibit 3 to this my affidavit is a true copy of that email.

- 5 At 11:36 pm that evening, I replied to Ms. Kis by email. A true copy of that email is now produced and marked as Exhibit 4 to this my affidavit. By copy of that email, the requested communication was forwarded to the Representative Counsel, the IOO, the Monitor and the Monitor's counsel for their review and comment.
- 6 On Thursday, April 14, 2011, at 11:35 am, having received instructions from the Representative Counsel and the IOO, I replied to Ms. Kis with three concerns about the the proposed text. A true copy of that email and its attachment are produced and marked as Exhibit 5 to this my affidavit. I received an "Out of Office" response from Ms. Kis indicating that she was away for the day and would have limited access to email. I then resent my email to Barry Yellin who had appeared on the 9:30 the previous day. I received an "Out of Office response from him at 11:43 am.
- 7 At 12:24 pm when I was away from my office, Ms Kis sent an email to me with amended text. Now produced and marked as Exhibit 6 to this my affidavit is a copy of that email.
- 8 At 3:07 pm, I replied to Ms Kis confirming that the communication would be sent together with the Representative Counsel's advice to the noteholders that does not approve of it and considers it to misunderstand the process. A true copy of my email is attached as Exhibit 7 to this my affidavit.
- 9 At 3:13 pm,I instructed the sending of the revised text as a communication to the noteholders. The first attachment sent could not be opened and the text was resent by me at 4:02 pm. At 5:25 pm, I received a copy of the email as sent out by the noteholders committee. Now produced and marked as Exhibit 8 to this my affidavit is a true copy of that email.
- 10 I have received no further communication from counsel for Ms Bissell respecting any aspect of the endorsement of Justice Mesbur and am satisfied that it was fully complied with by the Representative Counsel as the Court intended. On April 18, 2011, Ms. Kis advised me by email that her firm "will not be attending the motion to make submissions or opposing the sanction, but we have filed the affidavits of Michael Carnegie and Brenda Bissell so that Justice Morawetz is aware of our position."

SWORN before me at
the City of Toronto in
the Province of Ontario
this 20th day of April, 2011


A Commissioner etc.

M. C. COLLINS



Richard B. Jones

This is Exhibit 1
to the Affidavit of
Richard B. Jones sworn
the 20th day of April, 2011

A handwritten signature in cursive script, appearing to read "M. C. Collins".

A Commissioner etc.

M. C. COLLINS

Nelson Financial Group Ltd.
Unofficial Transcription of the Endorsement of Madam Justice Mesbur

April 13, 2011

B. Yellin - for moving party
R. Jones - for Rep. Counsel and IOO
S. Aggarwal - for Monitor

Brenda Bissell p/a for a noteholder wishes to move urgently to postpone the vote on the proposed plan of arrangement, etc., scheduled for Saturday, April 16/11. Essentially she wishes the opportunity to communicate her position and information to the other noteholders. A solution has emerged at this 9:30 that will avoid both an urgent motion and any necessity to delay the vote.

On consent:

1. Special Counsel, Mr. Jones, will forthwith (i.e. today, as soon as possible) email all the noteholders directing them to Ms. Bissell's motion materials posted on the Monitor's website, and suggesting they review the material before the meeting.
2. Mr. Page will provide Mr. Yellin today with a copy of the unredacted claims procedure memorandum: (Done)
3. Mr. Yellin will provide Mr. Jones with an electronic copy of the communication his client wishes to send to the noteholders and Mr. Jones will immediately email it to all the noteholders, subject to the communication not containing defamatory, libellous, or illegal statements.
4. If the plan is approved, Ms. Bissell's motion materials may be filed for the purposes of the sanction hearing and considered as a dissenting creditor's responding materials on the sanction hearing

Madam Justice Mesbur

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Re Nelson Financial Group
Plaintiff(s) *hhd.*

AND

Defendant(s)

Case Management Yes No by Judge: _____

Counsel	Telephone No.:	Facsimile No.:
<i>B. Ullin - for Acting Party</i>		
<i>R. Jones - for Reg. Counsel & I.O.O.</i>		
<i>S. Aggarwal - for Monitor</i>		

- Order Direction for Registrar (No formal order need be taken out)
- Above action transferred to the Commercial List at Toronto (No formal order need be taken out)

- Adjourned to: _____
- Time Table approved (as follows):

Kerenda Kissell pla for a noteholder wishes to move urgently to postpone the vote on the proposed plan of arrangement, etc. scheduled for Saturday April 16/11. Essentially she wishes the opportunity to communicate her position & information to the other noteholders. A solution has emerged at this

April 13/11 _____
Date Judge's Signature *Musker 9*

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsement Continued

9:40 that will avoid both an urgent motion and necessity to delay the WFE!

On consent:

- (1) ~~Christella~~ Special Counsel, Mr. Jones, will forthwith (ie today, as soon as possible) email all the WFE holders directing them to Mrs. Kissell's motion materials posted on the Monitor's website, and suggesting they review the material before the meeting.
- (2) Mr. Page will provide Mr. Gellin today with a copy of the unredacted, blind's procedure memorandum. (Done)
- (3) Mrs. Gellin will provide Mr. Jones with an electronic

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsement Continued

copy of the communication
his client wishes to send to
the noteholders. Mr. Jones
will immediately mail it
to all the noteholders, subject
to the communication not
containing defamatory, libellous
or illegal statements.

- (4) If the plan is approved, ~~the~~
Mrs. Kissell's motion materials
may be filed for the
purpose of the sanction hearing.
& considered as a dissenting
& creditor's responding materials
on the sanction hearing.

Commercial List File Number:	CV-10-8630-00CL
Civil File Number:	YR/ CV/#####

Date: April 11, 2011

SUPERIOR COURT OF JUSTICE – COMMERCIAL LIST
9:30 A.M. HEARING REQUEST FORM

M/M 13/11

A	PLEASE NOTE: The 9:30 hearing procedure is only for "ex parte, urgent, scheduling and consent matters which take no longer than 10 minutes" (Practice Direction, (2002), 57 O.R. (3 rd) 97, paragraph 25). This restriction will be enforced. This matter is (tick one or more); <input type="checkbox"/> ex parte <input type="checkbox"/> urgent <input checked="" type="checkbox"/> scheduling <input type="checkbox"/> consent <input type="checkbox"/> other (explain)
B	Short Title of Proceeding: IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C., 1985 c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NELSON FINANCIAL GROUP LTD.
C	Date(s) Requested: April 13, 2011
D	The following is a brief description of the matter to be considered at the 9:30 appointment: Scheduling an urgent motion to be heard on April 14, 2011, before Her Honour, Justice Mesbur, regarding a proceeding pursuant to the CCAA
E	The following materials will be necessary for the matter to be considered. (it is the responsibility of counsel to confirm that the proper materials are available for the Court.)
F	Is any Judge seized of these matters or any judicial conflicts? <input type="checkbox"/> No <input checked="" type="checkbox"/> The Honourable Justice Morawetz, who is away this week. We understand The Honourable Justice Mesbur may be able to hear these matters in His Honour's absence.

COUNSEL FOR APPLICANT/MOVING PARTY		COUNSEL FOR OTHER PARTY	
Party	Brenda Bissell and Globis Administrators Inc.	Party	
Counsel	Ross & McBride LLP – Mark Abradjian <i>M.A./R.S.</i>	Counsel	n/a
Address	1 King Street West, 10 th Floor, Hamilton, Ontario L8P 1A4	Address	
Phone	905-526-9800	Phone	
Fax	905-526-0732	Fax	
E-Mail	mabradjian@rossmcbride.com	E-Mail	

(IF MORE THAN 2 PARTIES INVOLVED, ADD ADDITIONAL SIGNATURES AND PARTICULARS ON REVERSE OR SEPARATE PAGE)

To be submitted to: Commercial List Office, 330 University Avenue, 7th Floor, Toronto Ontario Fax to: (416) 327-6228
 You may also convert to PDF and email to Toronto.Commerciallist@jus.gov.on.ca

Endorsement/Disposition <input type="checkbox"/> See attached Yellow Endorsement Form.
--

Commercial Form A

*Conf. via phone
 message left M/M 11/11
 M/M*

This is Exhibit 2
to the Affidavit of
Richard B. Jones sworn
the 20th day of April, 2011

A handwritten signature in cursive script, appearing to read "M. C. Collins".

A Commissioner etc.

M C - COLLINS

From: "Stephanie Lockman Sobol" <ssobol@providercapitalgroup.com>
Subject: **Bissell Report**
Date: April 13, 2011 4:27:16 PM EDT
To: "Stephanie Lockman Sobol" <ssobol@providercapitalgroup.com>

All Noteholders are advised that Brenda Bissell on behalf of her mother, a Noteholder, brought a motion asking that the creditors' meeting be delayed. That motion was dealt with this morning by Justice Mesbur and has been resolved. The meeting will go ahead on Saturday.

The Monitor has posted the motion materials on his website and you can read them there. Brenda Bissell will present her views at the meeting.

This is Exhibit 3
to the Affidavit of
Richard B. Jones sworn
the 20th day of April, 2011

A handwritten signature in cursive script, appearing to read "M.C. Collins".

A Commissioner etc.

M. C. COLLINS

From: Renata Kis <rkis@rossmcbride.com>
Subject: **RE: Bissell Report**
Date: April 13, 2011 11:15:28 PM EDT
To: "Richard B. Jones" <richard.jones@sympatico.ca>, Barry Yellin <BYellin@rossmcbride.com>
Cc: "Douglas Turner, Q.C." <doug@pdturner.com>, Sherry Townsend <stownsend@nelsonfinance.ca>, "A. John Page" <ajpage@ajohnpage.com>, Seema Aggarwal <SAggarwal@tgf.ca>

Mr. Jones,

Please find below that content of the email we would like you to please forward to the Noteholders.

I trust you will agree it is a straightforward and fair.

Please send it to all of the Noteholders as soon as possible.

Further, I also understand that the Monitor and the Noteholders Committee have the email addresses of the Noteholders. Why was this not included in the contact information? The phone numbers of the Noteholders were also not included in the contact information; it makes it very difficult to get information out to the other Noteholders (who do not have email addresses) in a timely and effective way. Would you please provide this information?

I look forward to hearing from you in this regard.

Dear Nelson Noteholders,

There is new information on the Monitor's website.

<http://www.ajohnpage.com/html/files.html>

My family wanted to know more about the option of getting our money out of Nelson in cash as soon as possible. We felt that the best thing to do was to go to an unbiased third party so we hired a lawyer who retained a Chartered Accountant and Business Valuator. We did this with our own money and believe that you should have access to this information, too, before you vote.

It's our opinion that the materials provided to the Noteholders to date have not emphasized enough the benefits of liquidation. The Chartered Accountant and Business Valuator reviewed the situation and the information available to him from the Monitor and the IOO; he looked especially closely at the Thirteenth Report of the Monitor, the Information Circular and the Plan. Generally, and I'm paraphrasing his opinion, he believes that liquidation is a faster and safer way of getting back most of the investors' money in the shortest amount of time. If you are interested in looking at his opinion in greater detail, look at the Affidavit of Michael Carnegie which is on the Monitor's website.

I have no personal interest in these proceedings, I just want what's best for my mom. I want you to know that our family will be voting against the plan because I want my 83-year-old mom to get the most money out of Nelson as fast as possible. I think a liquidation gives her the same advantages as choosing the Plan. Also, liquidation is a more predictable process; leaving your money in Nelson leaves your investment at risk if Nelson does not perform as expected.

A "NO" vote is needed to stop the current plan and allow for the possibility of liquidation.

A "NO" vote is also needed if you would prefer to change the Plan to increase the Cash-Exit amount to a fair price and remove the \$10 Million cap, so that everyone who wants out, can get out.

If you have already cast your vote or turned in your proxy, and you wish to change your mind, the procedure for changing your vote is outlined in the Thirteenth Report of the Monitor at paragraph 46:

The Monitor understands that some Creditors may have already submitted their Proxies and/or Voting Letters. If Creditors decide to change their Proxy and/or Voting Letter, they may do so by submitting new ones to Mr. Greg MacLeod, the Chair of the Meeting, provided that it is received by him prior to the Meeting or they may also attend the Meeting in person to vote.

The address of the Chair of the Meeting for the purposes of filing proxies and voting letters is:

Greg S. MacLeod, CA,CIRP
P.O. Box 1635
Burlington, ON
L7R 5A1

Tel: (905) 876-7550

Email: greg@gsmacloed.com<<mailto:greg@gsmacloed.com>>

If you have any questions and want to discuss anything in my affidavit, please contact me by email.
I encourage you to contact your own lawyer and accountant for advice, and come to the meeting with your questions.

Brenda Bissell
(Representing my mom Gloria Bissell, a Nelson Noteholder)

From: Richard B. Jones [richard.jones@sympatico.ca]
Sent: April-13-11 5:07 PM
To: Barry Yellin
Cc: Renata Kis; Douglas Turner, Q.C.; Sherry Townsend; A. John Page; Seema Aggarwal
Subject: Re: Bissell Report

Barry: It is already up on the Monitor's website.

Dick

Richard B. Jones, B.A.Sc., LL.B., LL.M., P.Eng.
Business Counsel at Law
100 Yonge Street, Suite 1201
Toronto, Ontario
Canada M5C 2W1

Office: (416) 863-0576
Office Fax: (416) 863-0092
Mobile: (416) 508-6009
Email: richard.jones@sympatico.ca<<mailto:richard.jones@sympatico.ca>>

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On 2011-04-13, at 4:37 PM, Barry Yellin wrote:

Thank you very much, Richard.

I trust, as well, that the Endorsement of Madam Justice Mesbur will be posted on the website.

Regards,

Barry

From: Richard B. Jones [<mailto:richard.jones@sympatico.ca>]
Sent: April 13, 2011 4:37 PM
To: Barry Yellin; Renata Kis
Cc: Douglas Turner, Q.C.; Sherry Townsend; A. John Page; Seema Aggarwal
Subject: Fwd: Bissell Report

Dera Mr Yellin:

In accordance with Justice Mesbur's direction, I have caused a notice to be sent to all noteholders for whom we have email addresses referring them to the Monitor's website to see Ms. Bissell's materials. The email below was sent out this afternoon.

Yours truly

Richard B. Jones, B.A.Sc., LL.B., LL.M., P.Eng.
Business Counsel at Law
100 Yonge Street, Suite 1201
Toronto, Ontario
Canada M5C 2W1

Office: (416) 863-0576
Office Fax: (416) 863-0092
Mobile: (416) 508-6009
Email: richard.jones@sympatico.ca<mailto:richard.jones@sympatico.ca>

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Begin forwarded message:

From: "Stephanie Lockman Sobol" <ssobol@providercapitalgroup.com<mailto:ssobol@providercapitalgroup.com>>
Date: April 13, 2011 4:27:16 PM EDT
To: "Stephanie Lockman Sobol" <ssobol@providercapitalgroup.com<mailto:ssobol@providercapitalgroup.com>>
Subject: Bissell Report

All Noteholders are advised that Brenda Bissell on behalf of her mother, a Noteholder, brought a motion asking that the creditors' meeting be delayed. That motion was dealt with this morning by Justice Mesbur and has been resolved. The meeting will go ahead on Saturday.

The Monitor has posted the motion materials on his website and you can read them there. Brenda Bissell will present her views at the meeting.

This is Exhibit 4
to the Affidavit of
Richard B. Jones sworn
the 20th day of April, 2011

A handwritten signature in cursive script that reads "M. C. Collins".

A Commissioner etc.

M. C. COLLINS

From: "Richard B. Jones" <richard.jones@sympatico.ca>
Subject: **Re: Bissell Report**
Date: April 13, 2011 11:36:37 PM EDT
To: Renata Kis <rkis@rossmcbride.com>
Cc: Barry Yellin <BYellin@rossmcbride.com>, "Douglas Turner, Q.C." <doug@pdturner.com>, Sherry Townsend <stownsend@nelsonfinance.ca>, "A. John Page" <ajpage@ajohnpage.com>, Seema Aggarwal <SAggarwal@tgf.ca>



Dear Ms Kis:

I will review your client's proposed posting first thing in the morning.

Concerning your question on phone numbers and email addresses where those may be known, I can clarify matters for you. This was discussed explicitly with Justice Mesbur this morning and the Monitor's creditors list comprising name, address and amount of proven claim was agreed to be disclosed. This matches the statutory requirements under the BIA. I advised Justice Mesbur that the email contact information had been gather by solicitation by the Representative Counsel in order to facilitate his communications with his clients. there was and is a reasonable expectation of confidentiality on the part of such persons. I have had explicit directions from several noteholders that they do not want their email addresses or unlisted telephone numbers made public in any way.

I am not able to provide you with any more information concerning the noteholders.

Yours truly

Richard B. Jones, B.A.Sc., LL.B., LL.M., P.Eng.
Business Counsel at Law
100 Yonge Street, Suite 1201
Toronto, Ontario
Canada M5C 2W1

Office: (416) 863-0576
Office Fax: (416) 863-0092
Mobile: (416) 508-6009
Email: richard.jones@sympatico.ca

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On 2011-Apr-13, at 11:15 PM, Renata Kis wrote:

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I have no personal interest in these proceedings, I just want what's best for my mom. I want you to know that our family will be voting against the plan because I want my 83-year-old mom to get the most money out of Nelson as fast as possible. I think a liquidation gives her the same advantages as choosing the Plan. Also, liquidation is a more predictable process; leaving your money in Nelson leaves your investment at risk if Nelson does not perform as expected.

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The address of the Chair of the Meeting for the purposes of filing proxies and voting letters is:

Greg S. MacLeod, CA,CIRP
P.O. Box 1635
Burlington, ON
L7R 5A1

Tel: (905) 876-7550

Email: greg@gsmacleod.com<<mailto:greg@gsmacleod.com>>

If you have any questions and want to discuss anything in my affidavit, please contact me by email.
I encourage you to contact your own lawyer and accountant for advice, and come to the meeting with your questions.

Brenda Bissell
(Representing my mom Gloria Bissell, a Nelson Noteholder)

From: Richard B. Jones [richard.jones@sympatico.ca]
Sent: April-13-11 5:07 PM
To: Barry Yellin
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Yours truly

Richard B. Jones, B.A.Sc., LL.B., LL.M., P.Eng.
Business Counsel at Law
100 Yonge Street, Suite 1201
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Subject: Bissell Report

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to the Affidavit of
Richard B. Jones sworn
the 20th day of April, 2011

A handwritten signature in cursive script, appearing to read "M. C. Collins".

A Commissioner etc.

M. C. COLLINS

From: "Richard B. Jones" <richard.jones@sympatico.ca>
Subject: **Nelson Financial**
Date: April 14, 2011 11:35:09 AM EDT
To: Renata Kis <rkis@rossmcbride.com>
Cc: "Douglas Turner, Q.C." <doug@pdtturner.com>, Sherry Townsend <stownsend@nelsonfinance.ca>
1 Attachment, 130 KB



WITHOUT PREJUDICE

Dear Ms. Kis:

I and the Court officers have reviewed the requested email text proposed by your client. We have concerns about statements made that are not true and may mislead. I attach a copy of your text with three comments. If you will remove the word "unbiased" and delete the two other sentences, the rest of the text will be emailed to the noteholders for whom the Representative Counsel has email addresses. Please advise.

On another matter concerning your clients materials, can you please identify Mr. Bill Murray who identified himself as an accountant and advisor to your clients at the March 26 meeting.

Finally, in reference to Mr. Carnegie's affidavit, can you confirm that your client has had the plan since on or about February and not only since April 7, 2011 as he states in paragraph 21.

Yours truly

Richard B. Jones, B.A.Sc., LL.B., LL.M., P.Eng.
Business Counsel at Law
100 Yonge Street, Suite 1201
Toronto, Ontario
Canada M5C 2W1

Office: (416) 863-0576
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Email: richard.jones@sympatico.ca

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[Document2.docx \(130 KB\)](#)

Dear Nelson Noteholders,

There is new information on the Monitor's website.

<http://www.ajohnpage.com/html/files.html>

My family wanted to know more about the option of getting our money out of Nelson in cash as soon as possible. We felt that the best thing to do was to go to a unbiased third party so we hired a lawyer who retained a Chartered Accountant and Business Valuator. We did this with our own money and believe that you should have access to this information, too, before you vote.

Richard B. Jones 11-4-14 10:29 AM
Comment [1]: This is not factually correct to describe a professional advisor retained by a party at interest

It's our opinion that the materials provided to the Noteholders to date have not emphasized enough the benefits of liquidation. The Chartered Accountant and Business Valuator reviewed the situation and the information available to him from the Monitor and the IOO; he looked especially closely at the Thirteenth Report of the Monitor, the Information Circular and the Plan. Generally, and I'm paraphrasing his opinion, he believes that liquidation is a faster and safer way of getting back most of the investors' money in the shortest amount of time. If you are interested in looking at his opinion in greater detail, look at the Affidavit of Michael Carnegie which is on the Monitor's website.

Richard B. Jones 11-4-21 12:19 AM
Comment [2]: This opinion is not found in Mr. Carnegie's affidavit. Further, Mr Carnegie is not an insolvency professional and is not qualified to advise on the costs, timing or risks of a bankruptcy process.

I have no personal interest in these proceedings, I just want what's best for my mom. I want you to know that our family will be voting against the plan because I want my 83-year-old mom to get the most money out of Nelson as fast as possible. I think a liquidation gives her the same advantages as choosing the Plan. Also, liquidation is a more predictable process; leaving your money in Nelson leaves your investment at risk if Nelson does not perform as expected.

A "NO" vote is needed to stop the current plan and allow for the possibility of liquidation.

A "NO" vote is also needed if you would prefer to change the Plan to increase the Cash-Exit amount to a fair price and remove the \$10 Million cap, so that everyone who wants out, can get out.

Richard B. Jones 11-4-14 10:47 AM
Comment [3]: There is no basis for this statement of alternative outcomes. A more likely outcome is that a "NO" vote will result in a continuation of uncertainty for months to come with the professional costs burden that erodes the recoveries of noteholders.

If you have already cast your vote or turned in your proxy, and you wish to change your mind, the procedure for changing your vote is outlined in the Thirteenth Report of the Monitor at paragraph 46:

The Monitor understands that some Creditors may have already submitted their Proxies and/or Voting Letters. If Creditors decide to change their Proxy and/or Voting Letter, they may do so by submitting new ones to Mr. Greg MacLeod, the Chair of the Meeting, provided that is it received by him prior to the Meeting or they may also attend the

Meeting in person to vote.

The address of the Chair of the Meeting for the purposes of filing proxies and voting letters is:

Greg S. MacLeod, CA, CIRP
P.O. Box 1635
Burlington, ON
L7R 5A1

Tel: (905) 876-7550

Email: greg@gsmacleod.com<<mailto:greg@gsmacleod.com>>

If you have any questions and want to discuss anything in my affidavit, please contact me by email.

I encourage you to contact your own lawyer and accountant for advice, and come to the meeting with your questions.

Brenda Bissell
(Representing my mom Gloria Bissell, a Nelson Noteholder)

This is Exhibit 6
to the Affidavit of
Richard B. Jones sworn
the 20th day of April, 2011

A handwritten signature in cursive script that reads "M. C. Collins".

A Commissioner etc.

M. C. COLLINS

From: rkis@rossmcbride.com
Subject: Re: Nelson
Date: April 14, 2011 12:24:55 PM EDT
To: richard.jones@sympatico.ca
Cc: "Mr. Barry Yellin" <byellin@rossmcbride.com>
Reply-To: rkis@rossmcbride.com

WITHOUT PREJUDICE

Mr. Jones,

I am extremely disappointed in your response time regarding our rather innocuously worded document. You have had this document since yesterday night and you have only replied to it at noon today. This delay is prejudicial to our client.

Without prejudice to our position that our initial draft ought to have gone out in its initial form and without any changes, I am agreeing to make changes as set out below so that the Noteholders can receive our communication today. These roadblocks were exactly what has been experienced by our client in the past and I'm disappointed that in the face of our resolution they are still being thrust in our way.

Again wholly without prejudice I have made the following changes:

I have replaced the word unbiased with independent.

I have rewritten the sentence around comment 2.

I believe the consequences of a NO vote are accurate: if the noteholders want to change the plan they need to vote NO. This section is not inaccurate or defamatory.

You have put my client in an extremely difficult position advising of these changes at noon on Thursday with the vote looming on Saturday. My client works as a school teacher and cannot currently be reached. If you do not accept the changes below and do not forward the script as revised you will have cost our client an entire day before the information was forwarded and you advised Justice Mesbur that you would forward same upon receipt.

Please ensure that the formatting in the initial draft is maintained.

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(Representing my mom Gloria Bissell, a Nelson Notcholder)

Sent with BlackBerry

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to the Affidavit of
Richard B. Jones sworn
the 20th day of April, 2011

A handwritten signature in cursive script that reads "M. C. Collins".

A Commissioner etc.

M. C. COLLINS

From: "Richard B. Jones" <richard.jones@sympatico.ca>
Subject: Re: Nelson
Date: April 14, 2011 3:07:24 PM EDT
To: Renata Kis <rkis@rossmcbride.com>
Cc: Barry Yellin <BYellin@rossmcbride.com>



Dear Ms Kis:

I am just back in my office and have your two rude emails. I suggest that you reconsider them. Sending a draft to me at 11:15 at night does not count as yesterday. Your client has had three weeks to avail herself of the ability to send materials to the noteholders and has not chosen to do so until now. Your complaints are disingenuous.

I consulted with the two Court-officers this morning and my email reflected their concerns. Although they still have concerns, your clients amended text has now been forwarded to be sent out with the Representative Counsel's comments that he does not approve it and considers it to misunderstand the process.

Yours truly

Richard B. Jones, B.A.Sc., LL.B., LL.M., P.Eng.
Business Counsel at Law
100 Yonge Street, Suite 1201
Toronto, Ontario
Canada M5C 2W1

Office: (416) 863-0576
Office Fax: (416) 863-0092
Mobile: (416) 508-6009
Email: richard.jones@sympatico.ca

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On 2011-04-14, at 2:09 PM, Renata Kis wrote:

Mr. Jones,

I still have not had confirmation that the email I have redrafted below has gone out. As I stated below, this delay is prejudicial to our position and contrary to the course of action you represented you would take.

Please confirm the email has gone out.

Renata Kis

-----Original Message-----

From: rkis@rossmcbride.com
Date: Thu, 14 Apr 2011 16:24:55
To: <richard.jones@sympatico.ca>
Reply-To: rkis@rossmcbride.com
Cc: Mr. Barry Yellin<byellin@rossmcbride.com>
Subject: Re: Nelson

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Brenda Bissell
(Representing my mom Gloria Bissell, a Nelson Noteholder)

Sent with BlackBerry

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Richard B. Jones sworn
the 20th day of April, 2011

A handwritten signature in cursive script, appearing to read "M. C. Collins".

A Commissioner etc.

M. C. COLLINS

From: "Nelson Noteholders Committee" <committee@nelsonnoteholders.ca>
Subject: Nelson - Re: Brenda Bissell
Date: April 14, 2011 5:25:53 PM EDT
To: richard.jones@sympatico.ca

April 14, 2011

Dear Nelson Noteholders:

In accordance with the posting procedures established last month, Ms. Brenda Bissell, a Noteholder's representative, has asked us to provide you with the following communication expressing her position on the Plan. We are doing so but ask you to consider the following comments:

- a) Mr. Carnegie, an accountant, is retained and paid by Ms. Bissell. He is not "independent".
- b) Mr. Carnegie's affidavit does not offer any opinion on the outcome, costs or risks of any liquidation. He is not qualified as a trustee in bankruptcy. The Representative Counsel considers that a liquidation of the Nelson loan portfolio in its present condition is not likely to be predictable or without significant risk and the previous absence of any reliable accounting system will make any sale of the loans both more difficult and likely to be at lower prices.
- c) Ms. Bissell obviously has a personal interest. She is clear that her mother is prepared to accept a lower recovery in exchange for what she thinks will be a quicker realization in cash. That is the choice that the Plan provides. If the business "does not perform as expected", the creditors as the shareholders at anytime in the future can choose to liquidate it and will do so at lower cost than a bankruptcy now.
- d) A "NO" vote will not necessarily result in any new changed Plan. It may result in more long months of uncertainty and professional costs all at the expense of the noteholders. It may also result in a bankruptcy and a permanent loss for all noteholders.

The Representative Counsel and the Interim Operating Officer both recommend that you continue to support the proposed Plan and reject the risky position advocated by Ms. Bissell.

Thank you for your continued support.

The Noteholders' Advisory Committee

Brenda Bissell writes as follows:

April 14, 2011

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I encourage you to contact your own lawyer and accountant for advice, and come to the meeting with your questions.

Brenda Bissell
(Representing my mom Gloria Bissell, a Nelson Noteholder)

This message was sent to richard.jones@sympatico.ca from:
Nelson Noteholders Committee | 63 Albert Street | Uxbridge, Ontario L9P1E5, Canada

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