

TAB 3

**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. (the "Applicant")**

Applicant

**AFFIDAVIT OF JAMES H. GROUT
(Sworn October 29, 2010)**

I, **James H. Grout**, of the City of Toronto, in the Province of Ontario,
MAKE OATH AND SAY AS FOLLOWS:

1. I am a Barrister and Solicitor qualified to practice law in the Province of Ontario and am a partner with Thornton Grout Finnigan LLP ("**TGF**"), solicitors for A. John Page & Associates Inc. in its capacity as the monitor (the "**Monitor**") of the Applicant and, 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 forwarded to the Monitor by TGF for fees and disbursements incurred by TGF in the course of the monitoring of the Applicant between July 1, 2010 and September 30, 2010 (the "**TGF Accounts**"). The TGF Accounts have been redacted to protect information subject to solicitor-client privilege and confidential information.

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

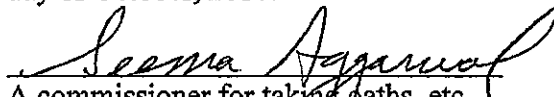
4. Attached hereto as **Exhibit "C"** is a schedule summarizing the respective years of call and billing rates of each of the solicitors and other personnel at TGF who acted for the Monitor.

5. To the best of my knowledge, the rates charged by TGF throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.

6. The hourly billing rates outlined in Exhibit "C" to this Affidavit are comparable to the hourly rates charged by TGF for services rendered in relation to similar proceedings.

7. I make this affidavit in support of the motion for, *inter alia*, approval of the fees and disbursements of the Monitor's counsel.

SWORN BEFORE ME
at the City of Toronto, in the
Province of Ontario this 29th
day of October, 2010.


A commissioner for taking oaths, etc.

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James H. Grout

EXHIBIT “A”

A. John Page & Associates Inc.
100 Richmond Street West
Suite 447
Toronto, ON M5H 3K6

August 26, 2010

Attention: John Page

Invoice No. 23140
File No.: 1363-001

RE: Nelson Financial Group Ltd., Nelson Investment Group Ltd., Nelson Mortgage Group Ltd. and Marc Boute
TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING

for the period ending: July 31, 2010

FEES

- Jul-01-10 Emails with counsel regarding Representative Counsel;
Review rep counsel order and provide comments thereon; review claims procedure order; review and respond to emails;
- Jul-02-10 Discussions with Nelson's counsel and met with S. Aggarwal; review motion record and Fourth Report; emails with counsel;
Discussions with J. Page regarding claims procedure and rep counsel; discussions with J. Grout regarding same; discussions with F. Lamie regarding same; revise rep counsel order; revise and finalize Fourth Report; review claims procedure order; discussion with J. Page regarding OSC; emails with C. Prophet and F. Lamie regarding same; email to P. Foy regarding same; receive service of motion record returnable July 7; serve Monitor's Fourth Report; emails with S. Mitra regarding director liability;
- Jul-05-10 Emails regarding Representative Counsel;
Review and respond to emails; discussion with P. Foy regarding independent counsel; discussion with R. Jones regarding same;
- Jul-06-10 Emails regarding Order appointing Representative counsel for the Preferred shareholders; met with S. Aggarwal;
Review and respond to emails; conference call with J. Page and C. Prophet regarding independent counsel; discussion with C. Prophet regarding Mackie security; discussion with J. Page regarding same; leave voicemail message for C. Prophet regarding same; review suggested revisions to Order; discussion with J. Grout regarding same;
- Jul-07-10 Prepare and attend in Court on motion to appoint Independent Counsel to review rights of Preferred shareholders; met with counsel for Nelson and Representative counsel for note holders and counsel for OSC; review notice of meeting to note holders;

Attend motion to appoint independent counsel; review initial order [REDACTED]
[REDACTED] emails with J. Page regarding same; exchange voicemail messages with C. Prophet regarding same; review and revise claims procedure order; discussion with C. Prophet regarding same;

- Jul-08-10 Review order appointing Independent Counsel; discussions with Independent Counsel; email to OSC regarding caselaw; review revisions to Confidentiality Agreement;
Review and revise claims procedure order; email same to J. Page for review and comment; review and respond to emails regarding confidentiality agreement;
- Jul-09-10 Emails regarding confidentiality agreement and note holders meeting and plan issues;
Receive and review e-mails between Gowlings and R. Jones regarding confidentiality agreement;
- Jul-12-10 Review claims procedure order;
Review voicemail message from and discussion with J. page regarding claims procedure order; review and revise claims procedure order; email same to Gowlings and J. Page; discussion with J. Grout regarding equity claims; draft fee affidavits; further discussion with J. Page; further revisions to claims procedure order; re-circulate same;
- Jul-13-10 Review and respond to emails regarding claims procedure order and Creditors' Information Meeting;
- Jul-14-10 Met with S. Aggarwal; discussions with Nelson's counsel; review revised claim Order; review presentation to note holders;
Review Powerpoint presentation for Creditor's meeting; provide comments thereon to J. Page; discussions with J. Grout regarding OSC; emails scheduling conference call with Gowlings; conference call with J. Page; conference call with J. Grout and F. Lamie regarding OSC; prepare fee affidavits;
- Jul-15-10 Emails regarding motion to establish claims procedure and OSC requests for information;
Prepare fee affidavits; review Initial Order regarding confidentiality; discussion with F. Lamie regarding same; draft and issue letter to P. Foy; emails and discussion with J. Page regarding claims procedure and fee affidavits; receive draft motion materials from Gowlings;
- Jul-16-10 Met with S. Aggarwal regarding claims procedure and note holders meeting and emails regarding those issues;
Review and provide comments on draft motion materials from Gowlings; prepare fee affidavits; meet with J. Page to commission fee affidavit; conference call with J. Page and C. Prophet regarding outstanding issues; meet with J. Grout to commission fee affidavit and discuss status of matter and security opinion; discussion with C. Prophet regarding claims procedure; receive and review emails; revise claims procedure order and schedules thereto; email same to J. Page;
- Jul-17-10 Review revised claims procedure order;
Receive and review emails from J. Page regarding Monitor's Report and claims procedure;

- Jul-18-10 Review documents and prepare opinion for Foscarini security;
- Jul-19-10 Review and revise claims procedure; prepare opinion regarding Foscarini security; discussions with J. Page; discussions with J. Grout; review and respond to emails; provide instruction to student regarding research on fresh consideration;
Research on promissory notes
- Jul-20-10 Emails regarding claims procedure and pending motion;
Prepare claims procedure order, security opinion and Monitor's Fifth Report; discussions with J. Page regarding same; discussions with C. Prophet regarding same; discussions with J. Grout regarding same; review and respond to emails; prepare for creditors' information meeting; receive and review correspondence from R. Jones regarding Foscarini security;
- Jul-21-10 Review and finalize court report; prepare and attend note holders meeting; met with client, Nelson and Nelson's counsel; met with S. Aggarwal;
Review email from J. Page regarding comments on Fifth Report; attend Creditors' Information Meeting; attend strategy meeting with J. Grout, Monitor, Gowlings and the company; receive and review payout figure from S. Mitra; review, revise and finalize Fifth Report; discussion with J. Page regarding meetings;
- Jul-22-10 Review security opinion and discussions with S. Aggarwal; emails with counsel;
Draft Foscarini security opinion; draft Supplement to Fifth Report; discussion with R. Jones regarding adjournment; discussion with F. Lamie regarding same; conference call with C. Prophet and F. Lamie; discussion with J. page; discussions and emails with J. Grout; receive and review correspondence from D. Turner regarding motion; receive and review email from S. Mitra regarding same;
Research regarding time periods;
- Jul-23-10 Review, revise and finalize security opinion; review and finalize supplementary report; met with S. Aggarwal and emails with client and counsel;
Finalize and issue Foscarini security opinion; finalize Supplement to Fifth Report and arrange to serve and file same; discussions with J. Page regarding restructuring costs and Supplement to Fifth Report; discussions with C. Prophet regarding Foscarini security; discussions with J. Grout regarding same;
- Jul-25-10 Receive and review e-mail from S. Mitra regarding adjournment;
- Jul-26-10 Emails with counsel and met with S. Aggarwal regarding stay extension and Mackie settlement motions;
- Jul-27-10 Met with S. Aggarwal regarding plan development process and role of the Investors; review email [REDACTED];
Prepare for and attend motion for stay extension and claims procedure; discussion with J. Page regarding status and next steps; discussion with J. Grout regarding same; review and respond to e-mails;
- Jul-28-10 Emails regarding plan negotiations and investor participation;

Jul-20-00 Receive and review letter from preferred shareholder; discussions with J. Page regarding preferred shareholders;

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	
James H. Grout	27.20	
Seema Aggarwal	72.40	
Sandra Reid (Student)	2.00	
Total Fees	\$55,020.00	
HST on Fees	<u>\$7,152.60</u>	
Total Fees and HST		\$62,172.60

DISBURSEMENTS

Transportation (Pre-July)	\$111.43	
Binding	\$20.21	
Computer Research	\$54.08	
Couriers	\$6.00	
Facsimiles	\$1.00	
Overtime Expenses	\$61.81	
Photocopies	\$509.00	
Transportation	\$26.55	
Filed Fourth Report of the Monitor	\$47.00	
Motion Record*	<u>\$127.00</u>	
Total Taxable Disbursements	\$837.08	
GST on Pre-July Taxable Disbursements	\$5.57	
HST on July Taxable Disbursements	\$94.34	
Total Non Taxable Disbursements	<u>\$127.00</u>	
Total Disbursements and HST		<u>\$1,063.99</u>
Total Due and Owing		<u>\$63,236.59</u>

ThorntonGroutFinnigan LLP



for: Per: James H. Grout
E. & O. E. HST # 87042 1039RT * HST Exempt

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 4.00% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

ThorntonGroutFinniganLLP

Suite 3200, 100 Wellington St. West, P.O. Box 329, Toronto-Dominion Centre, Toronto, Canada M5K 1K7
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Thornton Grout Finnigan LLP
RESTRUCTURING + LITIGATION

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T 416.304.1616 F 416.304.1313

A. John Page & Associates Inc.
100 Richmond Street West
Suite 447
Toronto, ON M5H 3K6

September 20, 2010

Attention: John Page

Invoice No. 23256
File No.: 1363-001

RE: Nelson Financial Group Ltd., Nelson Investment Group Ltd., Nelson Mortgage Group Ltd. and Marc Boute

TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING
for the period ending: August 31, 2010

FEES

- Aug-03-10 Discussions with S. Aggarwal regarding Court Report;
Discussion with J. Grout regarding status; e-mails and discussion with J. Page regarding preferred shareholders; e-mail to Gowlings regarding same;
- Aug-04-10 Discussion with J. Page regarding investor inquiries; exchange messages and discussion with D. Turner regarding same; further discussion with J. Page regarding same and status;
- Aug-05-10 Discussion with F. Lamie regarding preferred shareholders;
- Aug-06-10 Emails regarding Investor Committee's participation in plan development and opinion regarding preferred shares;
Canvass court availability; e-mail to Gowlings regarding preferred shareholder issue; receipt and review e-mail from J. Page regarding investor; discussion with J. Page regarding same; e-mail to Gowlings regarding same; discussion with F. Lamie regarding same;
- Aug-09-10 Receive and review security; discussion with J. Page regarding same; discussion with C. Prophet regarding preferred shareholder opinion; e-mails with J. Page scheduling conference call;
- Aug-10-10 Lengthy discussions with S. Aggarwal regarding preferred shareholder rights, opinion of Independent Counsel and disclosure issues;
Review security; conference call with J. Page regarding preferred shareholder opinion and outstanding matters; discussions with J. Grout regarding preferred shareholder opinion; discussions with D. Palter regarding same; e-mail to C. Prophet regarding same;
Discussions with J. Grout regarding outstanding issues;
- Aug-11-10 Review the opinion of Independent Counsel and discussions with S. Aggarwal;

- Receipt and review draft preferred shareholder opinion; conference call with J. Page regarding same; discussion with G. Grout regarding same; conference call with J. Page and E. Pilon regarding same; further conference call with J. Page regarding same and next steps;
- Aug-12-10 Emails regarding Mackie secured claim and emails regarding rights of preferred shareholders, the opinion of Independent Counsel and disclosure and reporting issues; Receipt and review of e-mails;
- Aug-13-10 Review and respond to e-mails;
- Aug-16-10 Emails regarding examinations and met with S. Aggarwal; Discussion with J. Grout regarding opinion; discussion with C. Prophet regarding same; e-mail to J. Page regarding status update;
- Aug-17-10 Review draft [REDACTED] opinion and met with S. Aggarwal; Review document brief of Foscarine Mackie Holdings; attend examination of Boutet; meet with C. Prophet and M. Boutet regarding same; discussion with G. Grout regarding same; discussion with J. Page regarding same; draft Sixth Report; discussion with C. Prophet regarding preferred shareholder opinion;
- Aug-18-10 Review and revise court report and met with S. Aggarwal; Discussion with J. Page regarding outstanding matters; e-mails with C. Prophet regarding scheduling of declaratory motion; draft Sixth Report and motion materials; research regarding court reports as evidence; discussion with J. Grout regarding issues; e-mail Sixth Report and relevant case law to J. Grout for review and comment; e-mail sixth report to J. Page for review and comment; provide instruction to E. Fan regarding researching [REDACTED] [REDACTED] e-mails with E. Fan regarding same; e-mails with J. Grout regarding sixth report; Research [REDACTED];
- Aug-19-10 Met with S. Aggarwal; review and revise motion materials; Discussions with E. Fan regarding research on solicitor-client privilege; review memorandum from E. Fan regarding same; discussion with J. Grout regarding same; review and revise Sixth Report; discussions with C. Prophet regarding same and scheduling; discussions with J. Grout regarding same; e-mail to J. Page regarding scheduling of motion; draft e-mail to service list regarding same; receipt and review e-mail from S. Mitra regarding further documents; discussion with S. Mitra regarding noteholder committee; e-mail to J. Page regarding same; provide instruction to E. Fan regarding drafting factum; Research [REDACTED];
- Discuss with S. Aggarwal drafting of factum for motion record, returnable August 24, 2010 on solicitor client privilege issue and obtaining judge's order that report and exhibits should not be included as evidence;
- Aug-20-10 Emails regarding motion for advise and direction regarding the opinion of Independent Counsel; Discussion with J. Page regarding status; attend examination of L. Mackie; meet with R. Jones regarding outstanding issues; receipt and review correspondence from R. Jones;

e-mails regarding scheduling motion; provide instruction to S. Laviolette regarding scheduling motion;

Draft factum [REDACTED]
[REDACTED]
[REDACTED]

- Aug-23-10 Met with S. Aggarwal regarding secured creditor motion and preferred shareholder motion; Finalize and serve motion record; discussions with R. Jones regarding providing opinion and preferred shareholder motion; discussions with J. Grout regarding same; discussions with J. Page regarding same and outstanding matters; discussions with C. Prophet regarding same and Motion Record; discussion with S. Mitra regarding Foscarini dispute; review and respond to e-mails;
- Aug-24-10 Review motion record and sixth report;
Attend chambers appointment for scheduling for Foscarini Mackie security dispute; e-mail electronic copies of draft Orders to R. Jones; research and prepare factum on solicitor-client privilege and cross-examination of Monitor;
- Aug-25-10 Review case law; review and revise factum; met with S. Aggarwal;
Preparation of and serve factum; meeting with J. Grout regarding same; review and respond to e-mails regarding same; receive and review revised orders from R. Jones;
- Aug-26-10 Prepare for motion for advice and direction on preferred shareholder opinion; review revisions to Order; met with S. Aggarwal;
Review and revise draft orders; review and respond to e-mails regarding same; discussion with C. Prophet regarding same; discussion with J. page regarding same and next steps; discussion with J. Grout regarding same;
- Aug-27-10 Prepare and attend in Court on motion for advice and direction regarding preferred shareholder opinion; met with counsel; met with S. Aggarwal; review endorsement and Order;
Preparation for and attendance at motion; circulate Order and Endorsement; discussion with J. Page regarding next steps; e-mails with R. Jones regarding opinion;
- Aug-30-10 Emails regarding Notice of Motion regarding Preferred Shareholder rights and review Notice of Motion; review draft letter to Preferred Shareholders;
Review Notice of Motion and provide comments thereon to R. Jones; draft letter to preferred shareholders; e-mail same to J. page; discussion with J. page regarding outstanding items;
- Aug-31-10 Emails regarding preferred shareholder issues;
Discussions with J. Page regarding preferred shareholder motion; review and revise letter to preferred shareholders; review and provide comments on draft Notice of Motion; draft Seventh Report;

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>
James H. Grout	23.40
Seema Aggarwal	68.40
Emily Fan (Student)	11.90

Total Fees	\$52,222.50	
HST on Fees	<u>\$6,788.93</u>	
Total Fees and HST		\$59,011.43

DISBURSEMENTS

Computer Research	\$134.05	
Facsimiles	\$2.50	
Photocopies	\$703.25	
Telephone	\$1.62	
Filed Fifth Report of the Monitor	-\$47.00	
Filed Supplemental Report of the 5th Report of the Monitor	\$47.00	
Fee of Network Reporting & Mediation re Transcript of Lisa Mackie	\$151.50	
Attempted to File Factum and Book of Authorities, Delivered Court Documents to Judge's Administration	\$74.00	
Filed Motion Record and Affidavit of Service	<u>\$47.00</u>	
Total Taxable Disbursements	\$1,207.92	
HST on Taxable Disbursements	\$157.03	
Total Non Taxable Disbursements	<u>\$0.00</u>	
Total Disbursements and HST		<u>\$1,364.95</u>
Total Due and Owing		<u>\$60,376.38</u>

ThorntonGroutFinnigan LLP



Per: James H. Grout

E. & O. E. HST # 87042 1039RT * HST Exempt

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 4.00% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.



Thornton Grout Finnigan LLP
RESTRUCTURING + LITIGATION

Canadian Pacific Tower
Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON Canada M5K 1K7
T 416.394.1616 F 416.304.1313

A. John Page & Associates Inc.
100 Richmond Street West
Suite 447
Toronto, ON M5H 3K6

October 18, 2010

Attention: John Page

Invoice No.23375
File No.:1363-001

RE: Nelson Financial Group Ltd., Nelson Investment Group Ltd., Nelson Mortgage Group Ltd. and Marc Boute

TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING for the period ending: September 30, 2010

FEES

- Sep-01-10 Emails regarding preferred shareholder issues;
Notice to preferred shareholders; receipt and review information requests; receipt and review revised Notice of Motion; review and respond to e-mails; discussions with J. page regarding outstanding issues;
- Sep-02-10 Emails regarding preferred shareholder motion; review notice of motion and notice of preferred shareholders;
Provide comments on draft Notice of Motion to R. Jones; discussion with J. Page regarding same; meet with J. Page, C. Prophet, M. Boutet and S. Sobol regarding plan issues; meet with J. Page regarding revisions to newspaper notice and letter to preferred shareholders;
- Sep-03-10 Review motion record of Representative Counsel regarding rights of preferred shareholders;
Review and respond to e-mails; discussion with J. Page regarding Representative Counsel's Motion Record; receive service of and accept Representative Counsel's Motion Record; draft Seventh Report;
- Sep-04-10 Receipt and review e-mail regarding proof of claim;
- Sep-06-10 Review Court Report and met with S. Aggarwal;
Receipt and review e-mails;

Further draft of the Seventh Report; e-mail same to J. Page; receipt of comments from J. Grout; discussion with J. Page regarding information requests; e-mails with C. Prophet regarding same and timing of plan; discussion with J. Page regarding same; draft Eighth Report;

- Sep-08-10 Revise Report; met with S. Aggarwal and emails regarding Mackie settlement;
- Review and respond to e-mails; review and revise Seventh Report; e-mail same to J. page for comment; further drafting of Eighth Report;
- Sep-09-10 Letter to client regarding response to investor; emails regarding Mackie settlement;
- Review and respond to e-mails; discussion with J. page regarding revised Foscarini settlement; draft Eighth report; discussion with J. Page regarding revisions to Seventh Report; review and further revisions to Seventh Report; e-mail same to J. Page for review and comment; discussion with J. Page regarding correspondence and preservation Order in family law matter and e-mails with Representative Counsel; draft response regarding same; provide instruction to S. Laviolette regarding preparation of exhibits to Seventh Report;
- Sep-10-10 Revise Court Report; emails regarding Mackie settlement;
- Further preparation of the Seventh Report; e-mail draft letter regarding preservation Order to J. Page; discussions and e-mails with J. page; review and respond to e-mails; discussion with C. prophet regarding scheduling hearing for Foscarini settlement approval; circulate Seventh Report;
- Sep-11-10 Emails regarding Preservation Order;
- Receipt and review of e-mail from J. Page regarding draft letter;
- Sep-13-10 Review revised OSC settlement agreement and emails with clients;
- Review and revise Court Report; met with S. Aggarwal; emails regarding Mackie settlement;
- Review and respond to e-mails; discussions with J. Page; receipt and review comments on Seventh Report; review and revise Seventh Report; discussion with C. Prophet regarding same; provide fee estimate to J. Page; finalize and serve Seventh Report;
- Sep-14-10 Review motion materials to approve Mackie settlement; emails with counsel;
- Review and respond to emails; review and provide comments on Foscarini settlement documents; discussions with J. Page; receipt and review correspondence to Court from preferred shareholders; draft Supplemental Seventh Report; discussion with J. Grout regarding same;
- Sep-15-10 Review 8th Report;
- Receipt and review Affidavit of Marc Boutet sworn September 15, 2010; review and

revise Eighth Report; review and revise Supplemental to Seventh Report; email revised Reports to J. Page;

- Sep-16-10 Met with S. Aggarwal; review Report and motion materials;
- Conference call with J. Page; attend motion regarding Foscarini settlement; discussion with C. Prophet regarding draft plan; meeting with J. Page, D. Turner and R. Jones regarding outstanding issues; meet with J. Page and draft urgent notice to preferred shareholders; review and revise Supplemental to Seventh Report; further discussion with J. page; receipt and review emails;
- Sep-17-10 Review report and met with S. Aggarwal; review Lendcare letter of intent;
- Review and respond to emails; prepare Supplemental to Seventh Report; discussion with J. Grout regarding outstanding matter; discussions with J. Page; discussions with Commercial List office regarding September 27th motion and letters from preferred shareholders; discussions with D. Turner's office; discussion with R. Jones; finalize and serve report;
- Sep-18-10 Review voicemail message from J. McVey; emails and discussion with J. Page regarding same;
- Sep-20-10 Emails regarding Lendcare offer to purchase;
- Discussing September 27th motion with S. Aggarwal;
- Discussions regarding September 27th motion; arrange for filing of Supplemental to Seventh Report; review and respond to emails; discussion with Commercial List office regarding Pepall availability; discussion with C. prophet regarding scheduling stay extension motion; discussions with J. Grout regarding same and adjournment motion for preferred shareholder motion;
- Sep-21-10 Emails regarding requests for adjournment or Preferred Shareholder motion;
- Review and respond to emails; discussion with R. Jones regarding adjournment appointment; receipt and review voicemail message from M. Beardsley; discussion with J. Page regarding same and M. Beardsley claim; discussion with M. Beardsley; discussion with commercial list office regarding adjournment appoint and letters to judge; arrange to pick up letters to judge and forward same to J. Page;
- Review and respond to emails; discussion with R. Jones regarding adjournment appointment; receipt and review voicemail message from M. Beardsley; discussion with J. Page regarding same and M. Beardsley claim; discussion with M. Beardsley; discussion with Commercial List office regarding adjournment appointment and letters to Judge; arrange to pick up letters to Judge and forward same to J. Page;
- Sep-22-10 Met with S. Aggarwal regarding Preferred Shareholder motion;
- Discussion with J. Page regarding status of Eighth Report; discussion with M. Beardsley regarding attendance at chambers appointment; e-mail to R. Jones regarding same; meet with J. Grout and discuss outstanding issues; review and revise Eighth Report;

- Sep-23-10 Prepare and attend in Court on motion to adjourn Preferred Shareholder motion; met with counsel; draft and finalize Order; emails to counsel; met with S. Aggarwal;
- Discussing finalization of the Monitor's 8th Report with S. Aggarwal and S. Laviolette;
- Discussion with J. Grout regarding adjournment of Preferred Shareholder Motion; draft Order of Justice Cumming; attend at court to have Justice Cumming execute Order; circulate Order; review and respond to emails; draft Notice to preferred Shareholders regarding adjournment; discussions with J. Page; review and revise Eighth Report; e-mail same to J. Page;
- Sep-24-10 Discussions with Lendcare's counsel; emails to Nelson's counsel and client; discussions with Nelson's counsel regarding stay extension motion; meet with S. Aggarwal;
- Discussing finalization of Monitor's report with S. Aggarwal and S. Laviolette;
- Review and respond to emails; review and revise Eighth Report; discussions with J. Page regarding same; discussion with J. Grout regarding status; circulate Eighth Report to Gowlings; provide instruction to A. Shepherd and S. Laviolette;
- Sep-25-10 Met with client and Nelson's counsel; review Boutet affidavit; consider management and governance issues;
- Sep-27-10 Review 8th Report; emails and discussions with client regarding governance and management issues;
- Reviewing emails pertaining to the finalization of the Monitor's 8th Report; Discussing same with S. Laviolette and J. Grout;
- Review and respond to emails; receipt and review correspondence from J. Grout to P. Foy;
- Sep-28-10 Preparing for meeting with respect to development of Plan and other issues; Meeting with J. Page, J. Grout, C. Prophet and F. Lamie with respect to same; Reviewing final Report and sending PDF of same to J. Page; Making amendments to the Report to reflect changes of J. Page; Discussing same with S. Laviolette;
- Receipt and review service of motion materials and Monitor's Eight Report; receipt and review emails regarding letters from preferred shareholders;
- Sep-29-10 Emails regarding preferred shareholder motion;
- Receipt and review emails;
- Sep-30-10 Conference call with client and Nelson's counsel regarding Plan, governance and management issues; prepare for stay extension motion;
- Providing bound copy of Monitor's 8th Report to J. Grout;
- Receipt and review emails;

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	
James H. Grout	27.00	
Alana Shepherd	4.80	
Seema Aggarwal	80.60	
Total Fees	\$59,320.00	
HST on Fees	<u>\$7,711.60</u>	
Total Fees and HST		\$67,031.60

DISBURSEMENTS

Binding	\$32.27	
Computer Research	\$3.00	
Photocopies	\$630.00	
Telephone	\$12.66	
Transportation	\$8.85	
Disbursements - Photocopies*	\$6.00	
Filed Seventh Report of the Monitor and Affidavit of Service	\$47.00	
Total Taxable Disbursements	\$733.78	
HST on Taxable Disbursements	\$95.39	
Total Non Taxable Disbursements	<u>\$6.00</u>	
Total Disbursements and HST		<u>\$835.17</u>
TOTAL DUE & OWING		<u>\$67,866.77</u>

ThorntonGroutFinnigan LLP

Seema Aggarwal

Per: James H. Grout

E. & O. E. HST # 87042 1039RT * HST Exempt

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EXHIBIT “B”

EXHIBIT "B"

Summary of Invoices

For the Period from July 1, 2010 to September 30, 2010

Invoice Number	Fees	Disbursements	GST	HST	Hours	Average Rate	Total
23140	\$55,020.00	\$964.08	\$5.57	\$7,246.94	101.60	\$541.54	\$63,236.59
23256	\$52,222.50	\$1,207.92	N/A	\$6,945.96	103.70	\$503.59	\$60,376.38
23375	\$59,230.00	\$739.78	N/A	\$7,806.99	112.40	\$526.96	\$67,866.77
TOTAL	\$166,472.50	\$2,911.78	\$5.57	\$21,999.89	317.70	\$523.99	\$191,479.74

EXHIBIT “C”

EXHIBIT "C"

Billing Rates of ThorntonGroutFinnigan LLP

For the Period from July 1, 2010 to September 30, 2010

	<u>Hourly Rate</u>	<u>Year of Call</u>
James H. Grout	\$875.00	1983
Seema Aggarwal	\$425.00	2005
Alana Shepherd	\$300.00	2010
Emily Fan	\$225.00	Student
Sandra Reid	\$225.00	Student

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**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.**

Applicants

Court File No.: 10-8630-00CL

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

Proceedings commenced at Toronto

**AFFIDAVIT OF JAMES H. GROUT
(Sworn October 29, 2010)**

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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

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Proceedings commenced at Toronto

**MOTION RECORD
(RETURNABLE NOVEMBER 22, 2010)**

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