

**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 DOUGLAS TURNER
(Sworn September 30, 2011)**

I, Douglas Turner, of the Township of Brock, in the Regional Municipality of Durham,
MAKE OATH AND SAY:

- 1. I am a Barrister and Solicitor qualified to practice law in the Province of Ontario, duly appointed Representative Counsel for the Noteholder Creditors of the Applicant by Order of this Court dated June 15, 2010 and as such 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 (subject to redactions) of the invoices I forwarded to the Applicant for fees and disbursements incurred in the course of the representation of the Noteholders of the Applicant for the period October 26, 2010 to April 21, 2011. The redactions are done for the protection of solicitor client privilege and possible future litigation involving the litigation trust established by court order.
- 3. Mr. Jones will be forwarding a separate Affidavit for his accounts, and this Affidavit refers only to my accounts. The total of my accounts for fees, disbursements and HST is \$277,069.19 and is made up as follows:

a)	Fees:	\$194,805.00
	HST on Fees:	\$ 25,325.10
b)	Disbursements (not subject to HST):	\$ 50,974.00
	Disbursements subject to HST:	\$ 5,278.84
	HST on Disbursements subject to HST:	\$ 686.25

4. Included in Exhibit "A" is a schedule summarizing each invoice in Exhibit "A", the total fees charged per invoice, and the total billable hours charged per invoice.

5. I was called to the Ontario Bar in 1967, created Queen's Counsel in 1981, and called to the New York Bar in 1993. My practice has included advocate and counsel work in a number of forums, including municipal councils, provincial and federal administrative tribunals, committees of the Ontario Legislature and Parliament, the Ontario Superior Courts up to and including the Divisional Court and Ontario Court of Appeal, the Supreme Court of Canada, and the Federal Court, both trial and appellant levels. I worked principally in down town Toronto until 1995. I also mostly deal with real estate, estate, and commercial work. Hourly rates vary up to \$500.00 per hour.

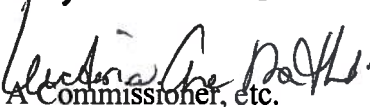
6. I made due enquiry, and to the best of my knowledge, the rate of \$450.00 per hour charged in the accounts throughout the course of these proceedings are comparable to the rates charged by other law firms in Ontario for the provision of similar services.

7. The time billed in each of the accounts was necessarily spent in completing the restructuring of the Applicant. The accounts were rendered in a timely manner and were reviewed and approved for payment by the IOO and the Applicant.

8. I make this affidavit in support of the motion for, *inter alia*, approval of the fees and disbursements of the Representative Counsel and Special Counsel.

Sworn before me at the)
Township of Uxbridge in the)
Regional Municipality of Durham)
this 30th day of September, 2011.)


Douglas Turner


A Commissioner, etc.

Victoria Anne Martland, a
Commissioner, etc., Regional Municipality of
Durham, for Douglas, Turner, Q.C. Professional
Corporation, Barrister and Solicitor.
Expires June 2, 2012.

SUMMARY

This is Exhibit A referred to in the
affidavit of Douglas Turner
sworn before me, this 30th
day of September 19 2011.

Andrew An Roth
Fee Charged COMMISSIONER, ETC

Invoice Date	Number of Billable Hours
December 10, 2010	127.4
February 7, 2011	78.6
February 28, 2011	67.3
March 31, 2011	91.9
April 21, 2011	67.7

~~\$57,330.00~~
Victoria Anne Hartland, a
Commissioner, etc., Regional Municipality of
Durham, for Douglas, Turner, Q.C. Professional
Corporation, Barrister and Solicitor.
Expires June 2, 2012.

~~\$3,570.00~~

\$30,285.00

\$41,355.00

\$30,465.00

**DOUGLAS TURNER, Q.C.,
Professional Corporation**

December 10, 2010

Invoice #5343

Nelson Financial Group Ltd.
900 Dillingham Road
Pickering, Ontario
M5H 3K6

Attention: Ms Sherry Townsend,
Interim Operating Officer

**RE: Representative Counsel
Nelson Financial Group Ltd.
Superior Court of Justice (Commercial List)
Court File No. 10-8630-00CL
Re-Organization**

TO PROFESSIONAL SERVICES rendered in connection with the above, for the period October 26, 2010 to December 10, 2010, including:

October 26, 2010: Telephone conversation with J. Page and S. Aggarwall re re-organization, and management changes, Heads of Agreement; telephone conversation with T. Young; telephone conversation R. Jones re removal motion; telephone conversation S. Townsend;

Hours: 2.8

October 27, 2010: Draft capitalization plan for re-organization, telephone conversation T. Young re financing re-organization;

Hours: 1.9

October 28, 2010: Meeting with R. Jones re Boutet removal motion; then meet with S. Aggarwall at J. Grout office in Toronto; with J. Grout by phone, to discuss removal and terms and order; also discuss monitor role and re-organization; telephone call T. Young;

Hours: 5.5

October 29, 2010: Telephone conversation with T. Young re re-organization; conference call S. Townsend and J. Page re re-organization plan; correspondence re R. Jones Heads of Agreement; telephone conversation and correspondence S. Townsend and Raul Shastri Independent Legal Advice for S. Townsend; telephone conversation and correspondence P. Foy office re proposed removal & appointment of Interim Operating Officer (I.O.O.); telephone conversation from [REDACTED], telephone conversation R. Jones re removal and [REDACTED];

Hours: 4.1

November 1, 2010: Review draft of Representative Counsel Report and Boutet removal motion; review same with R. Jones, S. Townsend, T. Young, telephone conversation with P. Roy to review and discuss OSC proposed settlement with Boutet;

Hours: 2.0

**BARRISTER AND SOLICITOR, PROVINCE OF ONTARIO, CANADA
ATTORNEY AT LAW, STATE OF NEW YORK, UNITED STATES OF AMERICA
63 Albert Street, P.O. Box 760, Uxbridge, Ontario Canada L9P 1E5
TELEPHONE (905) 852-6196 FAX (905) 852-6197
Email Address: doug@pdturner.com or vikki@pdturner.com**

November 2, 2010: Telephone conversations S. Aggarwal and R. Jones to review OSC proposal and proposed Boutet Order; revised Representative Counsel Report with R. Jones and discuss with Monitor; telephone conversation P. Foy re proposed OSC Boutet settlement; telephone conversation from T. Young; telephone conversation with S. Townsend re motions and OSC status;

Hours: 2.2

November 3, 2010: Telephone conversation J. Page re Boutet removal; review proposed motions and draft Orders, revise Representative Counsel Report; telephone conversations R. Jones and T. Young;

Hours: 2.5

November 4, 2010: Telephone conversations S. Townsend, T. Young and P. Foy re OSC claims [REDACTED]; telephone conversation R. Jones re motion; telephone conversations T. Young and S. Townsend and searches re Newstart companies;

Hours: 3.5

November 5, 2010: Telephone conversation from Baker re his proposal for Nelson, review with S. Townsend and T. Young, telephone conversation J. Page re Baker reports and extensions, telephone conversation P. Foy re OSC status of settlement; telephone conversation from C. Prophet re settlement of Boutet Order, re protection of five million while Boutet is in control and arranging for transfer to Monitor in Order; review draft Orders and Representative Counsel Report;

Hours: 4.5

November 9, 2010: Re: motion and removal of Boutet; telephone conversation P. Foy re OSC settlement refusal by Boutet and Representative Counsel position proceeding with Boutet removal, also problems re [REDACTED];

Hours: 4.2

November 10, 2010: Working with R. Jones and re Boutet removal motion, also negotiating with J. Page re one hundred thousand fee demand of Boutet; telephone conversations T. Young and S. Townsend; telephone conversation P. Foy re OSC settlement and [REDACTED]; telephone conversations C. Prophet re settlement and fee demand;

Hours: 5.0

November 11, 2010: Telephone conversations with J. Page re Prophet changes; telephone conversations S. Townsend re removals; telephone conversation R. Jones re motion also Noteholder Committee and fees; correspondence re settlement an dOrder and confirming settlement re Boutet removal;

Hours: 6.3

November 12, 2010: At Commercial Court in Toronto; meet with all counsel prior to motion hearing; before Peppal J. re settlement, releases, and hearing date; telephone conversations R. Jones, S. Townsend and T. Young re Order and dates, re service of motion; telephone conversation [REDACTED];

Hours: 6.2

November 14, 2010: Telephone conversations S. Townsend re report on motion; telephone conversation with T. Young; draft Representative Counsel Second Report;

Hours: 4.0

November 15, 2010: Telephone conversations and emails S. Townsend and R. Jones re Sobol; telephone conversations S. Townsend re OSC claims and Boutet issues; telephone conversation R. Jones re recent Order and re-organization; telephone conversations T. Young, S. Townsend re new management proposal; telephone conversation Paul Przybto lawyer for Baker re their interest;

Hours: 3.5

November 16, 2010: Telephone conversation from T. Young re Noteholders' Committee and communications; revise Representative Counsel Report; review current J. Page Report; re concerns of J. Page breach of confidence; telephone conversation [REDACTED]; telephone conversations S. Townsend, R. Jones, T. Young re Page breach and [REDACTED] concerns; preparing motion material for November 22nd motion; correspondence all parties;

Hours: 6.0

November 17, 2010: Telephone conversations R. Jones re proposed Order; telephone conversation S. Townsend re Order and motion;

Hours: 0.6

November 18, 2010: Review draft Order and Monitor Counsel problems; re role of monitors and reduction of duties, re role of I.O.O. and powers re re-structuring; review Monitor's Report; telephone conversations R. Jones, S. Townsend and T. Young re draft Order and monitor control and costs;

Hours: 4.5

November 19, 2010: Telephone conversations J. Page re draft Order, monitor role, Gowling's accounts; telephone conversation S. Townsend re I.O.O. role and agreement to protect her; review problems with Monitor's draft Order and role of monitor and costs; telephone conversations Raul Shastri; emails and trying to discuss drastic changes of Monitor Counsel to Order; telephone conversations Court re November 22nd motion; review new accounts Monitor Counsel proposes to approve, including Gowling's account;

Hours: 5.0

November 20, 2010: Conference call S. Townsend and T. Young re conflicting Orders of Monitor and Representative Counsel and serious problems; review Representative Counsel Report; correspondence re Monitor's attempts to approve all accounts as part of Boutet removal Order, draft material for Order;

Hours: 5.1

November 21, 2010: Review Gowling's accounts; telephone conversations T. Young and S. Townsend re proposed Order and problems re

Gowling's accounts; email C. Prophet, prepare for motion on November 22nd;

Hours: 2.8

November 22, 2010: At Commercial Court in Toronto; meet with counsel prior to motion; before Peppal J. re proposal for Boutet Heads of Agreement; discuss Gowling's accounts with C. Prophet; discuss [REDACTED]; meet with S. Townsend, T. Young re Gowling's accounts and re-organization and I.O.O. roles;

Hours: 4.5

November 29, 2010: Telephone conversation R. Jones re problems with Monitor Counsel motion for accounts approval, [REDACTED]; discuss effect OSC charges on company and claims against Boutet; [REDACTED]; telephone conversation T. Young; corporate and [REDACTED]; draft Representative Counsel Third Report and review with R. Jones and T. Young;

Hours: 4.5

November 30, 2010: Review Monitor's account; complete and serve Representative Counsel Third Report; discuss S. Townsend and T. Young re removal Order and monitor problems; telephone conversation J. Grout and S. Aggarwal re draft Orders and removal, then telephone conversation R. Jones re draft Order; review Solicitors' Act re Gowlings accounts; prepare for motion on December 1st;

Hours: 3.8

December 1, 2010: At Commercial Court in Toronto: prepare for motion; review and provide sections of Solicitors' Act for Court; telephone conversations T. Young; meet with Noteholders' Committee prior to motion; meet with Peppal J. in Chambers; meet subsequently with Frank Lamie and S. Aggarwal re motion contents, costs assessment and whereabouts of Boutet documents; meet with R. Jones to prepare for Accounts Assessment, review proposals re re-organization plan, discuss Litigation Trust

Hours: 7.3

December 2, 2010: Telephone conversations S. Townsend re consulting work; telephone conversations R. Jones and T. Young re [REDACTED]; calls from Noteholders;

Hours: 2.8

December 3, 2010: Telephone conversations S. Townsend re preference share motion and Order, including possible costs Order; telephone conversation R. Jones re Order and costs against preference shareholders, telephone conversation R. Jones re Boutet documents; telephone conversations offices of C. Prophet, F. Lamie and then T. Young re Boutet documents; telephone conversation from T. Young and then review [REDACTED];

Hours: 3.2

December 4, 2010: Review re-organization plan especially Article 4 and email S. Lux;

Hours: 0.8

December 6, 2010: Review Gowling and Monitor's accounts with R. Jones and discuss motion for adjournment for December 9th motion; review re-organization plan and OSC release; telephone conversation R. Jones re proposed Beardslay preference share holders appeal and time limit;

Hours: 1.8

December 7, 2010: Telephone conversation S. Townsend [REDACTED] and authority, re [REDACTED] issues; re proposed adjournment of costs assessment and non-cooperation of Gowling and S. Aggarwal;

Hours: 1.7

December 8, 2010: Telephone conversations R. Jones re Gowlings and Monitor accounts and preparation for motion in event of no adjournment; telephone conversation S. Townsend re OSC proposals and meeting; correspondence with Noteholders; telephone conversation with P. Foy re motion; telephone conversation T. Young;

Hours: 4.1

December 9, 2010 Prepare with R. Jones for motion re Gowling's and Monitor accounts; argument before Peppal J.; with R. Jones to discuss settlement with C. Prophet of Gowling's account; telephone conversations S. Townsend and T. Young re [REDACTED]; resolve Gowling's account and get instructions; discuss settlement of Monitor's accounts with J. Grout, then S. Townsend and T. Young; unable to settle with Monitor; R. Jones argument before Peppal J. re Monitor's accounts, then adjournment and further settlement talk with J. Grout and R. Jones; receive instructions, resolve Monitor accounts and draft Order; re-attend before Peppal J. for approval; subsequent meeting with R. Jones to discuss re-organization and critical path plan, also Litigation Trust;

Hours: 9.8

December 10, 2010: Telephone conversations S. Townsend and T. Young re costs going forward and re-organization and solicitor's firm;

Hours: 0.9

TOTAL HOURS: 127.4 X \$450.00 per hr.

MY FEE: \$ 57,330.00
13% HST 7,452.90

TOTAL FEES HEREIN: \$ 64,782.90

c/f

b/f

\$ 64,782.90

DISBURSEMENTS:

Subject to HST		
Jones Counsel LLP	\$83,461.71-	<i>Pl directed by Client</i>
Paid Accommodations	475.45	
Corporate Searches	283.00	
Donaldson Law Clerk Services	185.00	
Bell Conference Calls	836.36	
Teraview Search	96.00	
Paid Fax/xerox charges	250.00	
Paid courier charges	158.00	
Paid long distance	50.00	
	<u>\$85,795.52</u>	
13% HST	11,153.42	96,948.94
Not Subject to HST		
Minister of Finance		
re Corporate Searches	\$ 164.00	
re Filing Motion	127.00	
Scott Davies	300.00	
XXXXXXXXXXXXXXXXXXXX		
XXXXXXXXXXXXXXXXXXXX	<u>25,000.00</u>	<u>25,591.00</u>

TOTAL FEES & DISBURSEMENTS:

\$187,322.84

THIS IS MY ACCOUNT HEREIN:

P. Douglas Turner

PDT/dm

E. & O. E.

GST/HST Registration #R116021122

Accounts due when rendered. Interest will be charged on overdue accounts in accordance with the Solicitors' Act.

**DOUGLAS TURNER, Q.C.,
Professional Corporation**

February 7, 2011

Invoice #

Nelson Financial Group Ltd.
900 Dillingham Road
Pickering, Ontario
M5H 3K6

Attention: Ms Sherry Townsend,
Interim Operating Officer

**RE: Representative Counsel
Nelson Financial Group Ltd.
Superior Court of Justice (Commercial List)
Court File No. 10-8630-00CL
Re-Organization**

TO PROFESSIONAL SERVICES rendered in connection with the above, for the period December 13, 2010 to February 3, 2011, including:

December 11, 2010: Review DeBono and McVey claims; [REDACTED]
[REDACTED]; telephone conversation T. Young and emails S. Townsend, R. Jones and T. Young;

Hours: 0.9

December 13, 2010: Telephone conversations DeBono re claim; review Debono documents; telephone conversation S. Townsend re Monitor and Debono; telephone conversation R. Jones re Boutet, review McVey documents;

Hours: 2.1

December 14, 2010: telephone conversation S. Townsend re re-organization; telephone conversation from Noteholder/preference shareholders;

Hours: 0.5

December 15, 2010: Review re-organization documents, then meeting with consultants, R. Jones, Noteholders' committee to review accounts; meeting with S. Townsend, Rob Catinari and R. Jones to review litigation files and instructions re procedure;

Hours: 4.3

December 16, 2010: Telephone conversation Preference Shareholders re loss ;

Hours: 0.4

December 17 2010: Telephone conversation R. Jones and S. Townsend re December 9th Order, preference share claims and re-structuring;

Hours: 1.1

December 18, 2010: Completing [REDACTED], review re-organization and start list of litigation files and reporting letter to Noteholders;

Hours: 1.3

December 20, 2010: Review searches and then telephone conversation with S. Townsend to discuss searches;

Hours: 0.4

December 22, 2010: Telephone conversations S. Townsend re lease, review lease and [REDACTED]; telephone conversation with Nancy Olympia re collections and Lendcare; telephone conversation with R. Jones re removal of Monitor and Order;

Hours: 1.6

December 23, 2010: Review Lendcare changes; emails to Nancy Olympia;

Hours: 0.5

December 30, 2010: Telephone conversation T. Young; correspondence re Lendcare, drafting report and memo;

Hours: 1.1

December 31, 2010: Review Newstart proposal; emails to S. Townsend and R. Jones;

Hours: 0.5

January 4, 2011: Telephone conversations with S. Townsend, T. Young and R. Jones re Lendcare and Monitor; correspondence;

Hours: 1.3

January 5, 2011: Telephone conversation S. Townsend re accounting [redacted]; with T. Young re files and [redacted]; telephone conversations re Sobol, Lendcare account and Monitor; telephone conversation with S. Townsend re Sobol, OSC and account memo of Boutet loss;

Hours: 3.1

January 6, 2011: [redacted] g
[redacted] at OSC, [redacted] FSSC
[redacted]

Hours: 4.4

January 7, 2011: Telephone conversations S. Townsend and R. Jones; telephone conversations A. Long & P. Foy [redacted]; then telephone conversation S. Townsend re evidence, draft plan; then telephone conversation A. Long [redacted], subpoena of S. Townsend; conference call [redacted];

Hours: 5.2

January 10, 2011: Correspondence re Wilson and subpoena; telephone conversation with G. Giordano; [redacted] Nalco; [redacted]; revise report; telephone conversations R. Jones re motion record; telephone conversation with S. Townsend;

Hours: 3.7

January 11, 2011: Telephone conversation S. Townsend, R. Jones and A. Long re management and Monitor; telephone conversation T. Young re Report; revise Report, telephone conversations [redacted] and confidentiality agreement; revise re-organization memo;

Hours: 3.5

January 12, 2011: Meet at R. Jones office with S. Townsend, R. Jones and proposed new Monitor; then discuss organization;

Hours: 6.0

January 13, 2011: Telephone conversations S. Townsend re OSC and Monitor; discuss settlement P. Foy, S. Townsend, R. Jones and T. Young; review consideration [REDACTED] and OSC order; amend letter to Noteholders re Monitor;

Hours: 2.8

January 14, 2011: Telephone conversation S. Townsend re OSC; telephone conversation T. Young; telephone conversation R. Jones re OSC and [REDACTED]; telephone conversation Przbylo re claim Noteholders lease deal; telephone conversation S. Townsend, R. Jones, T. Young re Monitor issues re replacement;

Hours: 2.9

January 15, 2011: Review re-organization plan including solicitors, accountants, Monitor; problems re Monitor; correspondence re Baker;

Hours: 1.0

January 16, 2011: Correspondence re Broker, memo for organization; re OSC evidence; t.c T. Young;

Hours: 1.2

January 17, 2011: Meet with S. Townsend and T. Young re Monitor, re-organization; telephone conversations A. Holt re summons; correspondence, re-organization and litigation;

Hours: 6.0

February 3, 2011: Telephone conversation T. Young [redacted]
 telephone conversation A. Long re m [redacted]
 for OSC; review Baker offer, review mortgage documents, telephone
 conversation S. Townsend; telephone conversation R. Jones re plan [redacted]
 [redacted] telephone conversation with S. Townsend;

Hours: 3.9
 TOTAL HOURS: 78.6 X \$450.00 per hr.

MY FEE: \$ 35,370.00
 13% HST 4,598.10
 TOTAL FEES HEREIN: \$ 39,968.10

DISBURSEMENTS:

Subject to HST
 Jones Counsel LLP
 Corporate Searches 147.00 ✓
 Teraview Search 18.00 ✓
 Paid Fax/xerox charges 250.00 ✓
 Paid courier charges 20.00 ✓
 Paid long distance 50.00 ✓
 \$49,238.71
 6,401.03
 55,639.74
 13% HST
 Not Subject to HST
 Minister of Finance
 Re Filing Motion 127.00
 re Corporate Searches 88.00 ✓
 215.00

(\$48,753.71 - Pd Direct to RT.)

TOTAL FEES & DISBURSEMENTS: \$95,822.84

THIS IS MY ACCOUNT HEREIN:

55,091.69
 40,731.15
 Pd. Jones. Pd. directly.

 P. Douglas Turner

PDT/dm
 E. & O. E.
 GST/HST Registration #R116021122
 Accounts due when rendered. Interest will be charged on overdue accounts in
 accordance with the Solicitors' Act.

DOUGLAS TURNER, Q.C.,
Professional Corporation

February 28, 2011

Invoice #5410

Nelson Financial Group Ltd.
900 Dillingham Road
Pickering, Ontario
M5H 3K6

Attention: Ms Sherry Townsend,
Interim Operating Officer

RE: Representative Counsel
Nelson Financial Group Ltd.
Superior Court of Justice (Commercial List)
Court File No. 10-8630-00CL
Re-Organization

TO PROFESSIONAL SERVICES rendered in connection with the above, for the period February 4, 2011 to February 28, 2011, including:

February 4, 2011: Telephone conversation S. Townsend [REDACTED]; draft reports to Noteholders and review with T. Young; review plan of re-organization;

Hours: 2.3

February 5, 2011: Review Representative Counsel Report; correspondence [REDACTED];

Hours: 0.9

February 7, 2011: Telephone conversation S. Townsend, T. Young re plan, re accounts; telephone conversations R. Jones re plan, Order, [REDACTED] and [REDACTED], discuss business plan, consents of OSC and court dates;

Hours: 4.5

February 8, 2011: Telephone conversations T. Young re Noteholders' meeting and redemption option; telephone conversation R. Jones re corporate monitor confidentiality' telephone conversation and correspondence A. Long of OSC [REDACTED] to S. Townsend; review December 9th and November 22nd Orders with R. Jones, also business plan; correspondence with TD Bank re signing authority for bank accounts;

Hours: 4.5

February 9, 2011: Telephone call from DeBono; meeting with R. Jones re OSC plan; meeting with P. Foy of OSC re settlement and discuss information circular;

Hours: 5.0

February 10 2011: Meeting at Nelson with S. Townsend, T. Young, R. Jones re plan and financing; conference call proposal CA considerable elements of plan; draft correspondence S. Aggarwall; telephone

BARRISTER AND SOLICITOR, PROVINCE OF ONTARIO, CANADA
ATTORNEY AT LAW, STATE OF NEW YORK, UNITED STATES OF AMERICA
63 Albert Street, P.O. Box 760, Uxbridge, Ontario Canada L9P 1E5
TELEPHONE (905) 852-6196 FAX (905) 852-6197
Email Address: doug@pdturner.com or vikki@pdturner.com

conversations with R. Jones re Monitor; telephone conversation with T. Young;

Hours: 7.3

February 11, 2011: Telephone conversation R. Jones [REDACTED] [REDACTED] st, Debenture modifications and business plan; telephone conversation T. Young; telephone conversation R. Jones re monitor; telephone conversation P. Foy re OSC Report; telephone call from Shareholder; telephone conversations solicitors;

Hours: 4.2

February 12, 2011: Telephone conversation T. Young re debentures; Noteholders' meetings and plan; telephone conversation with R. Jones re same, review Litigation Trust documents and draft Court Orders;

Hours: 2.0

February 13, 2011: Telephone conversations T. Young;

Hours: 0.7

February 14, 2011: Review OSC correspondence and summons; draft Trust; telephone conversations S. Townsend, T. Young, R. Jones re debenture, review debenture; correspondence re Monitor and draft Order and plan of re-organization;

Hours: 4.8

February 15, 2011: Telephone conversation S. Townsend, R. Jones, T. Young re Monitor; telephone conversation CA firm; correspondence re OSC re Litigation Trust, telephone conversations R. Jones, S. Townsend re S. Aggrawall meeting and Judge's changes; telephone conversations and emails [REDACTED]

Hours: 6.5

February 17, 2011: Meet with I. Townsend, T. Young, S. Townsend and R. Jones; re business plan; correspondence and meeting re debentures, business plan and Monitor problem; review OSC Report;

Hours: 6.8

February 18, 2011: Review report of Representative Counsel; telephone conversation T. Young, S. Townsend and R. Jones re Monitor; draft report;

Hours: 2.1

February 22, 2011: Meeting with Noteholders; telephone conversation with T. Young, S. Townsend re re-organization; telephone conversation S. Townsend re re-organization; telephone conversation P. Foy; telephone conversation A. Long [REDACTED] emails re motion;

Hours: 1.5

February 23, 2011: Telephone conversation S. Townsend, R. Jones, T. Young; correspondence re motion and funds with R. Jones and conference [REDACTED] re Monitor removal and motions;

Hours: 4.1

February 24, 2011: Telephone conversation P. Foy office; telephone conversations R. Jones and S. Townsend re plan, Monitor, assets and Forensic Accountant; draft OSC documents; telephone conversations re Monitor removal and motion;

Hours: 3.2

February 25, 2011: Telephone conversation P. Foy - no position on February 28 motion; telephone conversation R. Jones and S. Townsend re Monitor and motion and meeting; telephone conversation P. Pryzblo office; telephone conversation R. Jones motion;

Hours: 1.1

February 26, 2011: Prepare for motion; review documents and Noteholders;

Hours: 0.5

February 28, 2011: Meeting with R. Jones and S. Townsend re motion; then attend before Court on motion, discuss meeting and settlement with Monitor and Counsel; telephone conversation T. Young; correspondence R. Jones re meeting;

Hours: 5.3

TOTAL HOURS: 67.3 X \$450.00 per hr.

MY FEE: \$ 30,285.00
13% HST 3,937.50

TOTAL FEES HEREIN: \$ 34,222.05

DISBURSEMENTS:

Subject to HST

Corporate Searches \$ 64.00
Paid Fax/xerox charges 250.00
aid long distance 50.00
\$364.00

13% HST 47.32 \$ 411.32

Not Subject to HST

Minister of Finance
re Corporate Searches 58.00

TOTAL FEES & DISBURSEMENTS: \$ 34,691.37

THIS IS MY ACCOUNT HEREIN:

P. Douglas Turner

PDT/dm

E. & O. E.

GST/HST Registration #R116021122

Accounts due when rendered. Interest will be charged on overdue accounts in accordance with the Solicitors' Act.

DOUGLAS TURNER, Q.C.,
Professional Corporation

March 31, 2011

Invoice #5410

Nelson Financial Group Ltd.
900 Dillingham Road
Pickering, Ontario
M5H 3K6

Attention: Ms Sherry Townsend,
Interim Operating Officer

**RE: Representative Counsel
Nelson Financial Group Ltd.
Superior Court of Justice (Commercial List)
Court File No. 10-8630-00CL
Re-Organization**

TO PROFESSIONAL SERVICES rendered in connection with the above, for the period March 1, 2011 to March 31, 20, 2011, including:

March 1, 2011: Telephone conversations re February 28th, 2011 motion and Monitor; review ██████ documents; telephone conversation with DeBono; telephone conversation with T. Young and R. Jones; draft documents re Monitor's removal; conference call;

Hours: 4.8

March 2, 2011: Telephone conversation R. Jones, T. Young and S. Townsend re motion, review of Business Plan and administration; review Factum; telephone conversation with P. Foy re motion and implications;

Hours: 3.9

March 3, 2011: Attend in Toronto to prepare for motion and meet with R. Jones; then motion before Court, settlement meeting with P. Foy re Information Circular, motion, Grout and SA re date, meeting and account; meet with R. Jones to discuss plan & meeting; telephone conversations S. Townsend and T. Young;

Hours: 6.2

March 5, 2011: Telephone conversations T. Young, S. Townsend re Monitor's accounts; telephone conversations re settling accounts; correspondence re accounts; telephone conversations R. Jones re accounts, review March 4th Order, re plan; eng. re Information Circular;

Hours: 4.6

March 7, 2011: Telephone conversation T. Young and R. Jones re meeting & Order; telephone conversation with P. Foy re Information Circular; review documents;

Hours: 2.3

BARRISTER AND SOLICITOR, PROVINCE OF ONTARIO, CANADA
ATTORNEY AT LAW, STATE OF NEW YORK, UNITED STATES OF AMERICA
63 Albert Street, P.O. Box 760, Uxbridge, Ontario Canada L9P 1E5
TELEPHONE (905) 852-6196 FAX (905) 852-6197
Email Address: doug@pdturner.com or vikki@pdturner.com

March 8, 2011: Telephone conversation S. Townsend [REDACTED] R. Jones re Order & Information Circular; eng. re Information Circular; correspondence re Mackie;

Hours: 2.1

March 9, 2011: Telephone conversation R. Jones re Information Circular & meeting; correspondence; drafting Information Circular; telephone conversations T. Young; telephone conversations S. Townsend re meeting; telephone conversation T. Young re notices & meetings;

Hours: 2.2

March 10, 2011: Telephone conversation R. Jones; drafting Information Circular; correspondence P. Foy at OSC re evidence;

Hours: 3.6

March 11, 2011: Telephone call from B. Bissell - she represents her mother who wants to liquidate; telephone conversation R. Jones re telephone conversation with B. Bissell and liquidation; telephone conversation with S. Townsend; review R. Jones account; telephone conversations S. Townsend re approval, revise Information Circular and discuss R. Jones; telephone conversation T. Young and review correspondence re taxes;

Hours: 4.9

March 15, 2011: Telephone conversation R. Jones re financial statements and motions; telephone conversation P. Foy; telephone conversation S. Townsend; T. Young and G. MacLeod re meeting & proposals; telephone conversations R. Jones and T. Young; revise Information Circular; [REDACTED]

Hours: 5.1

March 16, 2011: Telephone conversation P. Foy office; telephone conversation R. Jones; telephone conversation S. Townsend re meeting and Information Circular and motion; telephone call from T. Young re critical cost plan and B. Bissell; telephone conversations R. Jones re Noteholders;

Hours: 3.8

March 17, 2011: Telephone conversations S. Townsend and T. Young re website and voting approval; emails re amendments to Information Circular; amend posting for website;

Hours: 3.9

March 18, 2011: Telephone conversations S. Townsend and R. Jones re Monitor and reports; review financial statements; amend Information Circular; telephone conversation A. Long and S. Townsend re OSC evidence; re Monitor accounts;

Hours: 3.9

March 21, 2011: Revise Information Circular; telephone

conversations and correspondence re Noteholders including B. Bissell; re proxies, voting and directions;

Hours: 5.3

March 22, 2011: Revise Information Circular; telephone conversations R. Jones, T. Young and S. Townsend to review; correspondence re meeting; telephone conversation T. Young re voting; telephone conversations G. MacLeod's office;

Hours: 6.3

March 23, 2011: Revise Information Circular; telephone conversations S. Townsend, T. Young and R. Jones; correspondence [REDACTED] with Noteholders;

Hours: 4.3

March 24, 2011: Telephone call from B. Bissell - she is voting against approval - her mother has her own lawyer; review Securities Act; telephone conversation with OSC lawyer and S. Hagen of OSC; t.c. from [REDACTED] Noteholder; telephone conversation R. Jones re Monitor;

Hours: 5.2

March 26, 2011: Prepare for then meeting of Noteholders; discussion with all Committee Members and R. Jones;

Hours: 5.5

March 28, 2011: Telephone conversation T. Young, S. Townsend and R. Jones re Noteholders and votes; telephone conversation G. MacLeod re voting, review Monitor's motion;

Hours: 4.9

March 29, 2011: Telephone conversation S. Townsend, R. Jones and T. Young re DeBono; telephone conversation [REDACTED]; telephone conversation G. MacLeod; telephone conversation OSC;

Hours 3.1

March 30, 2011: Telephone conversation T. Young, S. Townsend and correspondence with G. McLeod re Noteholders voting list; correspondence Noteholders;

Hours 3.4

March 31, 2011: Telephone conversation and conference call re Noteholders; review Monitor's Report;

Hours: 2.6

TOTAL HOURS: 91.9 X \$450.00 per hr.

MY FEE:	\$ 41,355.00
13% HST	<u>5,376.15</u>
TOTAL FEES HEREIN:	c/f \$ 46,731.15

DOUGLAS TURNER, Q.C.,
Professional Corporation

April 21, 2011

Invoice #5457

Nelson Financial Group Ltd.
900 Dillingham Road
Pickering, Ontario
M5H 3K6

FL COPY

Attention: Ms Sherry Townsend,
Interim Operating Officer

RE: Representative Counsel
Nelson Financial Group Ltd.
Superior Court of Justice (Commercial List)
Court File No. 10-8630-00CL
Re-Organization

TO PROFESSIONAL SERVICES rendered in connection with the above, for the period April 1, 2011 to April 21, 2011, including:

April 1, 2011: Telephone conversations re Vote, voting Noteholders; review tax memo; general review;
Hours: 1.4

April 4, 2011: Telephone conversation R. Jones, T. Young and S. Townsend and G. MacLeod re notes; telephone conversation OSC office;
Hours: 1.8

April 5, 2011: Review voting letter; telephone conversation T. Young re ~~OSC correspondence~~;
Hours: 1.5

April 6, 2011: Telephone conversations T. Young, R. Jones and G. MacLeod review correspondence from OSC and Noteholders re Monitor's 13th report;
Hours: 1.8

April 7, 2011: Telephone conversation T. Young; correspondence re Preference share votes and documents for Noteholders; telephone conversation S. Townsend re insurance and Noteholders, Monitors 13th report; telephone conversation with G. MacLeod re Noteholders; telephone conversation with J. Waechter;
Hours: 3.1

April 8, 2011: Telephone conversation S. Townsend re notice; T. Young re Noteholders; telephone conversation from Noteholders; correspondence re Noteholders and Monitor; telephone conversation T. Young re director insurance and review documents;
Hours: 3.3

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April 11, 2011: Correspondence re votes and OSC; telephone conversation J. Waechter, S. Townsend re OSC settlement, re Noteholders and voting, re OSC hearing, re Bissell issues and proposed motion; telephone conversation R. Jones, S. Townsend and T. Young;

Hours: 4.5

April 12, 2011: Telephone conversation and correspondence J. Waecher, R. Jones, S. Townsend re OSC and hearing; review Bissell material; review Noteholders votes; telephone conversations with T. Young & G. MacLeod; correspondence re Noteholders;

Hours: 4.3

April 13, 2011: Telephone conversation T. Young, R. Jones re Bissell motion; telephone conversation G. MacLeod re meeting and Noteholders; meet with S. Townsend, then at Ontario Securities Commission with J. Waecher, S. Townsend and R. Jones; then meet with R. Jones and S. Townsend re re Directors' Insurance;

Hours: 7.8

April 14, 2011: Telephone conversation S. Townsend and T. Young re Directors' Insurance; prepare application for Broker; telephone conversation and email Broker; telephone conversations and correspondence re OSC Order; telephone conversation and correspondence re Bissell, Monitor and votes;

Hours: 5.2

April 16, 2011: Telephone conversations re Noteholder votes, OSC, insurance, ~~Notes~~ correspondence A. Long of OSC; telephone conversations S. Townsend, T. Young and R. Jones re meeting; telephone conversation and correspondence G. MacLeod; review Noteholder consents;

Hours: 6.1

April 17, 2011: Prepare for then attend at Noteholders' meeting; meet with G. MacLeod, R. Dale and Noteholders before and after; draft Representative Counsels' 4th Report;

Hours: 9.2

April 18, 2011: Telephone conversation T. Young, R. Jones re vote tally, Orders and Representative Counsels' 4th Report and files;

Hours: 2.1

April 19, 2011: Review Orders; telephone conversation with T. Young, R. Jones and S. Townsend to review Orders and Factum;

Hours: 2.1

April 20, 2011: Attend at Motion before Justice Morawetz re Plan Sanction; discussions with S. Townsend and T. Young re insurance, Noteholders and Litigation Trust;

Hours: 8.0

April 21, 2011: Telephone conversation S. Townsend, R. Jones re meetings and review Orders; attend at Directors' meeting;

Hours: 5.5

TOTAL HOURS: 67.7 X \$450.00 per hr.

MY FEE:		\$ 30,465.00
13% HST		<u>3,960.45</u>
TOTAL FEES HEREIN:		\$ 34,425.45

DISBURSEMENTS:

Subject to HST

Corporate Searches	\$ 25.00	
Paid Fax/xerox charges	350.00	
Miscellaneous charges	150.00	
Paid courier charges	27.00	
Bell Conferencing/ long distance	<u>298.48</u>	
	\$ 850.48	
13% HST	<u>110.56</u>	\$ 961.04

Not Subject to HST

Minister of Finance re Corporate Searches	\$ 34.00	
Minister of Finance	<u>25,000.00</u>	\$ 25,034.00

TOTAL FEES & DISBURSEMENTS: \$ 60,420.49

THIS IS MY ACCOUNT HEREIN:

P. Douglas Turner

PDT/dm

E. & O. E.

GST/HST Registration #R116021122

Accounts due when rendered. Interest will be charged on overdue accounts in accordance with the Solicitors' Act.

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")

Court File No. 10-8630-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

AFFIDAVIT OF DOUGLAS TURNER

Douglas Turner Q.C. as Representative Counsel
for the Noteholders of Nelson Financial Group
Ltd.

Barrister & Solicitor
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L9P 1E5

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