Commercial List File No. 14-CV-10798-00CL

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

IN THE MATTER OF THE RECEIVERSHIP OF
CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED,
1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED,
1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.

# FOURTH REPORT OF THE RECEIVER

**MARCH 6, 2015**

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# FOURTH REPORT OF THE RECEIVER

**March 6, 2015**

A. FARBER & PARTNERS INC. in its capacity as the Court-appointed Receiver (the "**Receiver")** of Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited, 1282648 Ontario Limited, 1382415 Ontario Ltd., and 1382416 Ontario Ltd. (collectively the "**Companies**") hereby reports to the Court as follows:

## PURPOSE OF THIS REPORT

1. This is the fourth report of the Receiver (the "**Fourth Report**"). Its purpose is to seek an order:

   a) approving the fees and expenses of the Receiver and its counsel, Goldman Sloan Nash & Haber LLP ("**GSNH**") since appointment on December 8, 2014 to February 8, 2015, which was the date of the Third Report; and

   b) approving an increase in the authorized borrowing power of the Receiver from $1,000,000 to $2,000,000.

## INTRODUCTION

2. On November 14, 2014, Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited, 1282648 Ontario Limited, 1382415 Ontario Ltd., and 1382416 Ontario Ltd. (collectively the "**Companies**") each filed a Notice of Intention to Make a Proposal (the "**NOI's**") pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**").

3. On November 20, 2014, the currently-known largest secured creditor, Crawmet Corp. ("**Crawmet**") filed motion material for a November 21, 2014 hearing seeking to (i) have the NOI's immediately terminated; (ii) appoint A. Farber & Partners Inc., as a receiver over the properties, assets and undertakings of certain of the Companies and (iii) to substitute A. Farber & Partners Inc. as bankruptcy trustee of certain of the Companies. At the November 21, 2014 hearing, this motion was adjourned to December 1, 2014.

4. On November 21, 2014, A. Farber & Partners Inc. was appointed Interim Receiver of certain of the Companies pursuant to section 47.1 of the BIA to preserve and protect the assets, undertakings and properties of those Companies acquired for, or used in relation to the business carried on by the Companies, including all proceeds thereof (the "**Property**") pursuant to the November 21, 2014 Order of the Honourable Mr. Justice Penny (the "**Interim Order**"). The Order and accompanying endorsement have not been appended in the interests of economy.

5. On December 8, 2014, the Honourable Mr. Justice Newbould terminated the NOI proceedings of the Companies and appointed A. Farber & Partners Inc. as Receiver and also as trustee in bankruptcy (the "**Trustee**") of the Companies. The Order granted was amended on December 12, 2014, when the Receiver and Trustee brought a motion to correct a typographical error. The Amended Order dated December 8, 2014 is attached as **Appendix "A"**.

6. The Receiver also brought a motion on December 12, 2014 for procedural consolidation of certain of the bankruptcy estates of the Companies and other administrative relief, which was also granted by the Honourable Justice Newbould. The First Report of the

Receiver and Trustee, as well as the resulting Order in that regard, have not been appended to this Report in the interests of economy.

7. On December 23, 2014, the Receiver and Trustee brought a motion to increase the borrowing power of the Receiver from $500,000 to $1,000,0000. The Second Report of the Receiver and Trustee in that regard is attached (without appendices) as **Appendix "B"**. On December 23, 2014, the Honourable Justice Penny issued an Order granting that motion, a copy of which is attached as **Appendix "C"**.

8. The Receiver also brought a motion on December 23, 2014 to (i) approve the Second and Third Report of the Interim Receiver and the activities of the Interim Receiver set out therein; (ii) approve the fees of the Interim Receiver and its counsel; (iii) discharge A. Farber & Partners Inc. as Interim Receiver; and (iv) establish a property claims process pertaining to the proprietary and secured claims against tangible personal property of the Companies. The Honourable Justice Penny also issued Orders granting that relief, but which have not been appended to this Report in the interests of economy.

9. On February 13, 2015, the Receiver brought a motion (i) to approve a stalking horse offer to act as a baseline bid in a stalking horse sales process, and (ii) for approval of the First, Second and Third Reports of the Receiver A copy of the Third Report of the Receiver is attached (without appendices) as **Appendix "D"**. A copy of the endorsement of Mr. Justice Pattillo dated February 18, 2015 granting the relief sought is attached as **Appendix "E"**. The formal Order has not yet been taken out due to a dispute regarding its terms with one of the parties appearing on that motion.

## LIMITATION OF REVIEW

10. A. Farber & Partners Inc. in its capacity as Receiver has relied upon the financial records and information provided by the Companies, as well as other information supplied by management, appraisers, accountants, auditors and advisors, and has not, except as specifically noted in this Fourth Report, audited, reviewed or otherwise attempted to verify the accuracy or completeness of the above information in a manner that would wholly or partially

comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook. It has prepared this Fourth Report for the sole use of the Court and of the other stakeholders in these proceedings.

## A) EXPENDITURE OF FUNDS TO DATE

11. The interim statement of receipts and disbursements of the Receiver as of February 18, 2015 is attached as **Appendix "F"**.

12. The Receiver has to date borrowed the authorized limit of $1,000,000.00, which is shown in Appendix "F". The funds have been advanced by Crawmet under two Receiver's Borrowing Certificates bearing interest at 12% per annum.

13. Cash receipts have otherwise been minimal, owing to both the dormant state of operations at the marinas over the Winter months, and the uncertainty that may have been present in the minds of marina customers as to whether the marinas would be in operation for the 2015 boating season (such that payment of slip rental and other ongoing services would be appropriate).

## B) APPROVAL OF FEES

14. Attached as **Appendix "G"** is an affidavit of the Receiver setting out its fees and disbursements from December 8, 2014 to February 8, 2015. The Receiver's detailed statements of account for this period are attached as exhibits to that affidavit. The total quantum of the amounts incurred and for which approval is sought is $591,470.45.

15. Attached as **Appendix "H"** is an affidavit of GSNH setting out its fees and disbursements from December 8, 2014 to February 8, 2015. GSNH's detailed statements of account for this period are attached as exhibits to that affidavit. The total quantum of the amounts incurred and for which approval is sought is $392,157.82.

## C) INCREASED BORROWINGS CHARGE

16. The Receiver has prepared a cash flow projection for the period from February 18, 2015 to March 31, 2015, a copy of which is attached as **Appendix "I"**.

17. March 31 has been used as the end of the forecast period in Appendix "I" because that is the anticipated timing of the closing of a sale in the stalking horse bid process if the existing stalking horse offer is the winning bid, pursuant to the sales process described in the Third Report (Appendix "D") and authorized by the February 18, 2015 endorsement of Justice Pattillo (Appendix "E"). If there is another winning bid, then the anticipated closing would be approximately April 8 under that sales process. The Receiver does not believe that there is any material difference between these two dates for funding purposes.

18. As shown in Appendix "I", the funds on hand are insufficient to satisfy the ongoing costs of the Receivership to the time of the anticipated closing of a sale of assets, which will substantially reduce the ongoing costs of administration after that time.

19. As of the date of this Report, the Receiver does not have any funds on hand available to pay any expenses.

20. The cash flow projection in Appendix "I" includes provision for the payment of the unpaid amount of the fees of the Receiver and GSNH to February 8, 2015 (for which approval is sought on this motion), but does not include payment of fees for the period after February 8, 2015 to March 31, 2015.

21. It is unlikely that the increased borrowing power sought will be sufficient to pay professional fees from February 8 to March 31, 2015. The Receiver anticipates addressing payment of such fees as part of the closing of the sale to the successful bidder under the stalking horse sales process, because payment of those fees is, among other things, required as part of the purchase price as described in paragraph 74 of the Third Report (note that the projected fees as estimated in the chart in that paragraph are subject to revision, as the fees of the Receiver and GSNH have been and are expected to be higher than had been projected at

that time).

22. Ongoing expenses of the Receiver after closing of an asset sale to the successful bidder are the subject of a portion of the purchase price to be deposited as a form of trust funds with the Receiver for that purpose. Receiver's borrowings are therefore not contemplated to address post-closing professional fees and expenses of the Receiver and GSNH.

## D) CONCLUSION

23. A. Farber & Partners Inc. in its capacities as Receiver accordingly seeks the Order attached as Schedule "A" to its Notice of Motion.

All of which is respectfully submitted this 6th day of March, 2015.

**A. FARBER & PARTNERS INC.**
**IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER OF CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED, 1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED, 1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.**



Per: Stuart Mitchell
Senior Vice President

# TAB A

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

| | | |
|---|---|---|
| THE HONOURABLE MR. | ) | MONDAY, THE 8TH DAY |
| | ) | |
| JUSTICE NEWBOULD | ) | OF DECEMBER, 2014 |

Court File No. 31-1932502

BETWEEN:

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF CRATE MARINE SALES LIMITED**

Court File No. 31-1932534

BETWEEN:

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF F.S. CRATE & SONS LIMITED**

Court File No. 31-1932548

BETWEEN:

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1330732 ONTARIO LIMITED**

Court File No. 31-1932557

BETWEEN:

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1328559 ONTARIO LIMITED**

Court File No. 31-1932540

BETWEEN:

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1282648 ONTARIO LTD.**

# AMENDED ORDER

**(Terminating the Proposal Debtors' Proposal Proceedings and Appointing a Receiver)**

**THIS MOTION** made by Crawmet Corp. ("**Crawmet**") for an Order:

1. validating the service and filing of the consolidated reply motion record, factum and brief of authorities of Crawmet be filed solely in court file number 31-1932502;

2. pursuant to section 50.4(11) of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c.B-3 (the "**BIA**"), declaring that the period for filing a proposal by Crate Marine

Sales Limited, F.S. Crate & Sons Limited, 1282648 Ontario Ltd., 1328559 Ontario Limited and 1330732 Ontario Limited (collectively, the "**Debtors**") be terminated;

3. pursuant to section 243(1) of the BIA and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing A. Farber & Partners Inc. ("**Farber**") as receiver (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario; and

4. substituting Farber as bankruptcy trustee (the "**Trustee**") of the Debtors and 1382415 Ontario Ltd. and 1382416 Ontario Ltd. (together with the Debtors, the "**Proposal Debtors**").

**ON READING** the affidavit of Benn-Jay Spiegel sworn November 20, 2014, the supplementary affidavit of Benn-Jay Spiegel sworn November 30, 2014, the Report of Dodick Landau Inc., in its capacity as Proposal Trustee of the Debtors (the "**Proposal Trustee**"), the Affidavits of Steven Crate each sworn November 28, 2014, the First Report of Farber in its capacity as Interim Receiver of the Debtors (the "**Interim Receiver**"), the Second Report of the Interim Receiver, the Supplementary Report to the Second Report of the Interim Receiver, the Second Report of the Proposal Trustee, the Affidavit of Steven Crate sworn December 5, 2014, the Affidavit of Benn-Jay Spiegel sworn December 7, 2014 and the Third Report of the Interim Receiver, on hearing the submissions of counsel for Crawmet, counsel for the Debtors, counsel for the Proposal Trustee, counsel for the Interim Receiver and such other counsel as are present, and on reading the consents of Farber to act as the Receiver and the Trustee,

**FILING**

1. **THIS COURT ORDERS** that the service and filing by Crawmet, the Proposal Trustee, the Interim Receiver and the Debtors of consolidated materials be hereby validated and directs that these materials be filed solely in Court File No. 31-1932502.

**TERMINATION OF THE PROPOSAL PROCEEDINGS**

2. **THIS COURT ORDERS AND DECLARES** that, pursuant to section 50.4(11) of the BIA, the period for filing a proposal by each of the Proposal Debtors in their respective proceedings be and hereby is terminated and that A. Farber & Partners Inc. be and hereby is substituted as the bankruptcy trustee of the Proposal Debtors.

**APPOINTMENT**

3. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, A. Farber & Partners Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Proposal Debtors acquired for, or used in relation to a business carried on by the Proposal Debtors, including all proceeds thereof (the "**Property**").

**RECEIVER'S POWERS**

4. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Proposal Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Proposal Debtors;

(d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on

whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Proposal Debtors or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Proposal Debtors and to exercise all remedies of the Proposal Debtors in collecting such monies, including, without limitation, to enforce any security held by the Proposal Debtors;

(g) to settle, extend or compromise any indebtedness owing to the Proposal Debtors;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Proposal Debtors, for any purpose pursuant to this Order;

(i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Proposal Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding $100,000 provided that the aggregate consideration for all such transactions does not exceed $500,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Proposal Debtors;

(p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Proposal Debtors, including, without limiting the generality of the

foregoing, the ability to enter into occupation agreements for any property owned or leased by the Proposal Debtors;

(q) to exercise any shareholder, partnership, joint venture or other rights which the Proposal Debtors may have; and

(r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Proposal Debtors, and without interference from any other Person.

**DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

5. **THIS COURT ORDERS** that (i) the Proposal Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

6. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Proposal Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due

to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

7. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

**NO PROCEEDINGS AGAINST THE PROPOSAL DEBTORS OR THE PROPERTY**

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Proposal Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Proposal Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

**NO EXERCISE OF RIGHTS OR REMEDIES**

10. **THIS COURT ORDERS** that all rights and remedies against the Proposal Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written

consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Proposal Debtors to carry on any business which the Proposal Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Proposal Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

**NO INTERFERENCE WITH THE RECEIVER**

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Proposal Debtors, without written consent of the Receiver or leave of this Court.

**CONTINUATION OF SERVICES**

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Proposal Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Proposal Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Proposal Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Proposal Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

**RECEIVER TO HOLD FUNDS**

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the

collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

**EMPLOYEES**

14. **THIS COURT ORDERS** that all employees of the Proposal Debtors shall remain the employees of the Proposal Debtors until such time as the Receiver, on the Proposal Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

**PIPEDA**

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Proposal Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

**LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

**LIMITATION ON THE RECEIVER'S LIABILITY**

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

**RECEIVER'S ACCOUNTS**

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in

priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

**FUNDING OF THE RECEIVERSHIP**

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

**SERVICE AND NOTICE**

25. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<http://www.farberfinancial.com/insolvency-engagements/crate-marine-sales-limited-et-al>'.

26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Proposal Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Proposal Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

**GENERAL**

27. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

**SCHEDULE "A"**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of $_____, being part of the total principal sum of $_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

[RECEIVER'S NAME], solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF CRATE MARINE SALES LIMITED, ET. AL.**

Court File No. 31-1932502

**ONTARIO**
**SUPERIOR COURT OF ONTARIO**
**IN BANKRUPTCY**

Proceedings commenced at TORONTO

**ORDER**

**CHAITONS LLP**
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**Lawyers for Crawmet Corp.**

# TAB B

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

Commercial List File No. 14-CV-10798-00CL

IN THE MATTER OF THE RECEIVERSHIP OF
CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED,
1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED,
1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.

Court File No. 31-1932502

IN THE MATTER OF THE BANKRUPTCY OF
CRATE MARINE SALES LIMITED

Court File No. 31-1932534
Court File No. 31-1932548
Court File No. 31-1932557
Court File No. 31-1932540
Court File No. 31-1932555
Court File No. 31-1932553

IN THE MATTER OF THE BANKRUPTCIES OF
F.S. CRATE & SONS LIMITED, 1330732 ONTARIO LIMITED,
1328559 ONTARIO LIMITED 1282648 ONTARIO LIMITED,
1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.

# SECOND REPORT OF THE RECEIVER AND TRUSTE

**DECEMBER 19, 2014**

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

Commercial List File No. 14-CV-10798-00CL

IN THE MATTER OF THE RECEIVERSHIP OF
CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED,
1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED,
1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.

Court File No. 31-1932502

IN THE MATTER OF THE BANKRUPTCY OF
CRATE MARINE SALES LIMITED

Court File No. 31-1932534
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IN THE MATTER OF THE BANKRUPTCIES OF
F.S. CRATE & SONS LIMITED, 1330732 ONTARIO LIMITED,
1328559 ONTARIO LIMITED 1282648 ONTARIO LIMITED,
1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.

# SECOND REPORT OF THE RECEIVER AND TRUSTEE

**December 19, 2014**

**A. Farber & Partners Inc.**, in its capacities as the Court appointed Receiver (the "**Receiver**") and as the trustee in bankruptcy (the "**Trustee**") of the estates of Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited 1282648 Ontario Limited (the "Companies") 1382415 Ontario Ltd., and 1382416 Ontario Ltd. (collectively with the Companies, the "**Debtors**") hereby reports to the Court as follows:

## INTRODUCTION

1. On November 14, 2014, the Debtors each filed a Notice of Intention to Make a Proposal (the "**NOI's**") pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), and named Dodick Landau Inc. as proposal trustee ("**Proposal Trustee**").

2. On November 20, 2014, the currently-known largest secured creditor, Crawmet Corp. ("**Crawmet**") filed motion material for a November 21, 2014 hearing seeking to (i) have the NOI's immediately terminated; (ii) appoint A. Farber & Partners Inc., as a receiver over the properties, assets and undertakings of the Companies and (iii) to substitute A. Farber & Partners Inc. as bankruptcy trustee of the Companies (the "**Crawmet Motion**"). At the November 21, 2014 hearing, this motion was adjourned to December 1, 2014.

3. At the November 21, 2014 hearing, A. Farber & Partners Inc. was appointed Interim Receiver pursuant to section 47.1 of the *Bankruptcy and Insolvency Act* (the "**BIA**") of the Companies (the "**Interim Receiver**") to preserve and protect the assets, undertakings and properties of the Companies acquired for, or used in relation to the business carried on by the Companies, including all proceeds thereof (the "**Property**") pursuant to the November 21, 2014 Order of the Honourable Mr. Justice Penny (the "**Appointment Order**"). A copy of the Appointment Order is attached at **Appendix "A"**. A copy of the endorsement dated November 21, 2014 is attached at **Appendix "B"**.

4. At a December 1, 2014 hearing, the powers of the Interim Receiver were expanded and the Court made certain directions regarding the business and financial affairs of the Companies pending the next hearing on December 9, 2014. The Crawmet Motion was also adjourned to that date. A copy of the endorsement of Mr. Justice Penny of that date, along with an unofficial typed transcription prepared by counsel for the Interim Receiver, is attached at **Appendix "C"**.

5. The Interim Receiver served and filed its Second Report and Supplementary Report to the Second Report on December 3 and 4, respectively, regarding certain facts and matters that had been recently discovered by the Interim Receiver, and which the Interim Receiver believed were of an urgent and material nature such that they required immediate disclosure

in advance of the scheduled hearing on December 9, 2014. The Proposal Trustee also served and filed its Second Report on similar issues, which it reported constituted material adverse changes.

6. A hearing was held at the request of Crawmet on December 4, 2014 to renew the Crawmet Motion. The Honourable Justice Newbould directed the Interim Receiver to notify all banks holding accounts of Crate Marine Sales Ltd. that no disbursements were to be made without the prior written authorization of the Interim Receiver and further directed that the hearing that had been previously scheduled for December 9 instead proceed on December 8, 2014 before His Honour. A copy of the endorsement of Mr. Justice Newbould of that date, along with an unofficial typed transcription prepared by counsel for the Interim Receiver, is attached at **Appendix "D"**.

7. On December 8, 2014, The Honourable Justice Newbould ruled in favour of the Crawmet Motion and appointed A. Faber & Partners Inc. as Receiver and Trustee of the Debtors, and terminated the proposals of the Debtors. A copy of the Order of that date is attached as **Appendix "E"**, and a copy of the handwritten Endorsement of that date is attached as **Appendix "F"**.

8. On December 12, 2014, the Receiver brought a motion to correct a typographical error in the Order dated December 8, 2014 and for procedural consolidation of certain of the bankruptcy estates of the Debtors and other administrative relief. The Honourable Justice Newbould issued an Amended Order dated December 8, 2014 and also issued an order dated December 12, 2014 in respect of the consolidation and administrative relief, copies of which are attached as **Appendix "G"** and **Appendix "H"**, respectively.

## PURPOSE OF THIS REPORT

9. This is the second report of the Receiver and Trustee (the "**Second Report**"). Its purpose is to seek certain relief (i) regarding a proposed property claims process pertaining to the management of the receivership and bankruptcy estates of the Debtors and (ii) regarding increased borrowing power.

10. The Receiver has not yet completed the review necessary to respond to the concerns of certain stakeholders such as Marquis Yachts, 2124915 Ontario Inc. as landlord of the Lagoon City location operated by the Debtors, or Uplands Charitable Foundation and Romith Investments Limited. The Receiver and Trustee will report on those and other issues in a subsequent report, which will also address a proposed sales process.

## LIMITATION OF REVIEW

11. A. Farber & Partners Inc. in its capacities as Receiver and Trustee has relied upon the financial records and information provided by the Debtors, as well as other information supplied by management, appraisers, accountants, auditors and advisors, and has not independently reviewed or verified such information. It has prepared this Second Report for the sole use of the Court and of the other stakeholders in these proceedings.

## A) OVERVIEW OF RECEIVER'S ACTIVITIES SINCE APPOINTMENT

12. The Receiver will report more fully in a subsequent report, at which time it will also seek formal approval of its conduct. In order to provide an overview of its activities to the Court and the stakeholders of the Debtors, the Receiver will set out below a summary of its activities since December 8, 2014:

- Taking possession of the various properties in Ontario and Quebec including securing ongoing utility, insurance, and other premises services in the Court-appointed Receiver's name

- Ongoing coordinating with former staff regarding their termination as a result of the bankruptcy including payment of their secured claim under s. 81.4 of the BIA and arranging T4's and records of employment

- Retention of certain staff to assist in (i) the ongoing security of the Property (ii) the statutory reporting duties of the Receiver, (iii) updating accounting records to provide updated accounts needed for the realization of the accounts receivable, (iv) dealing with customer calls on ongoing receivership issues and collection efforts for accounts receivable; and (v) winterization of the final boats not yet winterized as at December 8, 2014, etc;

- Numerous calls, letters and emails from creditors and customers enquiring about the status of the receivership, the bankruptcy, the impact on boat owners who paid for winter storage, impact on owners that paid 2015 slip rentals, anticipated realization process and impact on marina operations for 2015, etc.

- Preparation and mailing of the Receiver's Information Circular addressing key concerns of creditors and boat owners and post the Receiver's Information Circular to the Receiver's web site. Maintenance of the Receiver's web site for background documents of the NOI and interim receivership proceedings as well as ongoing documents and information updates on the receivership and bankruptcy proceedings

- Preliminary review on the removal of certain assets and certain accounting records of the Debtors prior to the filing of the NOI and follow up of same;

- Further investigations into the disputed ownership of various of the boats leading to discussions and correspondence with counsel regarding the preparation of this Second Report and the relief being sought to establish a Court-supervised process to resolve potential competing property claims for boats owned by the Debtors as well as owned by customer-owned boats still on the Debtors' premises in storage, or otherwise.

- Engaged in discussions with certain stakeholders, such as the landlord of the Lagoon City location, Dwight Powell Investments Inc., Crawmet, and Marquis boats regarding issues and possible arrangements or agreements that may be reached to enhance administration of the estates of the Debtors;

- Monitoring and dealing with the Debtors' 7 bank accounts at 3 different banks to preserve funds on hand, freeze outflows, manage ongoing deposits, etc.

## B) APPROVAL OF THE ACTIVITIES AND REPORTS OF THE INTERIM RECEIVER

13. A. Farber & Partners Inc. was appointed Interim Receiver of the Debtors on November 21, 2014 and Receiver of the Debtors on December 8, 2014.

14. The Second Report, Supplemental to the Second Report, and Third Report and the activities of the Interim Receiver and the activities, decisions, and conduct of the Interim Receiver and its counsel as set out in those reports has not yet been submitted for approval. Copies of those reports, without appendices, are attached as **Appendices "I"**, **"J"** and **"K"**, respectively.

15. A. Farber & Partners Inc. as Interim Receiver accordingly respectfully requests approval of those reports and the activities, decisions, and conduct of the Interim Receiver and its counsel as set out in those reports and then that the Interim Receiver be formally discharged.

## C) APPROVAL OF THE FEES OF THE INTERIM RECEIVER AND ITS COUNSEL

16. Attached as **Appendix "L"** is an affidavit of the Interim Receiver setting out its fees and disbursements. The Interim Receiver's detailed statements of account for this period are attached as exhibits to that affidavit. The total quantum of the amounts incurred and for which approval is sought is $290,883.71.

17. Attached as **Appendix "M"** is an affidavit of counsel to the Interim Receiver setting out its fees and disbursements. The Interim Receiver's detailed statements of account for this period are attached as exhibits to that affidavit. The total quantum of the amounts incurred and for which approval is sought is $106,286.76.

## D) INCREASED BORROWINGS CHARGE

18. The Appointment Order limits borrowing by the Receiver to $500,000.00. However, the activities of the A. Farber & Partners Inc. in its capacities as Interim Receiver and Receiver of the Debtors has exhausted the borrowings charge.

19. The Receiver has evaluated the existing and expected future expenses for the steps necessary to administer the estates of the Debtors, and has projected that, although the amount will vary with the intermittent collection of accounts receivable on behalf of the Debtors, the anticipated borrowings beyond the assets available to the Debtors will be in amounts that range up to approximately $678,000, which is itself $178,000 more than the current borrowing authority, by January 30, 2015. That amount does not include any provision to the payment on account ongoing retention of Debtor staff assisting in the ongoing security and realizing of the Property, the out-of-pocket expenses of an anticipated Court-approved sale

process (to be the matter of a separate report) or the fees and disbursements of the Trustee, the Receiver and its counsel (although it does for the Interim Receiver and its counsel).

20. The Receiver believes that an increased borrowing limit of $1,000,000.00 is in the interests of the stakeholders of the Debtors, as it will allow the Receiver to continue the exercise of the powers and duties conferred upon it, and will also allow access to funds for any unanticipated expenses as the extent and nature of steps necessary to administer the estates of the Debtors is ascertained and discussed with stakeholders.

## E) PROPOSED CLAIMS PROCESS

21. In the process of developing a plan to attempt to realize on the assets of the Debtors, the Receiver has encountered a recurring problem that there is substantial uncertainty about the nature and extent of the interest of the Debtors in the chattels that are in their possession, or in the possession of others on their behalf.

22. In a similar manner, the Receiver has encountered difficulties in ascertaining the nature and extent of the interest of third parties to the chattels that are in the possession of the Debtors, or in the possession of others on their behalf.

23. These problems are exemplified in the reports previously made by the Interim Receiver of the Companies. To summarize the issues that have been identified by the Interim Receiver as set out in those reports:

a) boats in the possession of the Debtors appear to have been sold without discharging loans against them owing by prior owners when sold to the Debtors, or by the Debtors (acting as broker or intermediary) to third parties (see paragraphs 42(a), (f) and (g) of the Interim Receiver's First Report);

b) boats in the possession of the Debtors were apparently financed by third parties, or pledged as security for amounts owing by the Debtors to third parties, on the basis of the third parties holding title documentation to those boats, yet those boats appear to have been nonetheless further sold by the

Debtors in several instances (see paragraphs 33-35 and 42(a) of the Interim Receiver's First Report and paragraph 26(a) of the Interim Receiver's Third Report);

c) boats previously owned by a vendor were sold to a purchaser by the Debtors acting as broker or intermediary without payment to the vendor, and the boat remains in the possession of the Debtors with now competing claims to the boat by vendor and purchaser (see paragraphs 42(b), (c), (d), (e) and (g) of the Interim Receiver's First Report; and

d) boats in the possession of the Debtors appear to be under contract for sale to purchasers where the purchasers have already paid some or all of the purchase price for the boats, but the transactions have not yet been completed (see paragraph 26(b) of the Interim Receiver's Third Report).

24. The books and records of the Debtors do not record all of these transactions and similar ones that have been identified by the Receiver, and where there are such records they are not always accurate as to the nature or quantum of the transaction as recounted by third parties.

25. The Receiver is accordingly concerned that, in developing a sales and marketing plan for the assets of the Debtors, the Receiver is unable to have sufficient certainty about what chattels (principally, but not limited to, boats) in the Debtors' possession or held on their behalf by others are in fact owned by the Debtors and can be used to generate proceeds of sale for the creditors of the Debtors. Such uncertainty will have a detrimental impact on the integrity and outcome of a sales and marketing process. The Receiver intends to come back to Court shortly for a sales process to take place early in 2015 in order to attempt to be in a position to sell the business of the Debtors as a going concern in time for the beginning of the boating season in 2015.

26. Similarly, the Receiver is also concerned that it could face competing claims from third parties to boats or other chattels in its possession even though there may be no financial interest to the Debtors' estates when the competing claims are resolved. Not only would such

claims create difficulties for the Receiver in determining proper ownership and acting fairly for all stakeholders, but such claims would cause uncertainty about the customer base that makes up a marina operation for boats to be stored over winter and then housed in slip facilities in boating season. The Receiver expects that a substantial component of the value of the business of the Debtors as a going concern will be the degree of boating traffic that a purchaser will be able to expect to obtain, including historical customers of the Debtors. Accordingly, having certainty about boats owned by customers will also aid in the success of the receivership in that regard as well.

27. The Receiver has considered whether the process available in section 81 of the BIA might be suitable to address these concerns, but has concluded it cannot do so. The principal reason for this is that there is no particular deadline for submission or review of such claims in a bankruptcy, whereas the Receiver wishes to ensure that all claims are made by a deadline after publication and notices that are typical in a claims process have taken place.

28. The Receiver has accordingly prepared, with the assistance of its counsel, a proposed Property Claims Procedure Order in the form attached as Schedule "C" to the Notice of Motion. In preparing that proposed order, the Receiver has considered that it is not necessary or desirable to include unsecured claims, nor real property matters. Secured claims on chattels that are registered pursuant to the *Personal Property Security Act* are also not included in the proposed Order, because the Receiver can ascertain those claims based on the registrations and, if necessary, in further direct communication with the registered secured parties.

29. The Receiver is already in possession of some claims of a propriety nature, including two formal s. 81 claims. If the proposed Property Claims Procedure Order is granted, the Receiver proposes to administer claims already in its possession as if those claims were made pursuant to the Order, which is authorized by paragraph 12(a) of the draft order.

‘

## F) CONCLUSION

30. A. Farber & Partners Inc. in its capacities as Receiver and Trustee accordingly seeks the Orders attached as Schedules "A", "B" and "C" to its Notice of Motion.

All of which is respectfully submitted this 19th day of December, 2014.

**A. FARBER & PARTNERS INC.**
**COURT-APPOINTED RECEIVER AND TRUSTEE OF CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED, 1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED, 1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.**



Per: Stuart Mitchell
Senior Vice President

# TAB C

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

Court File No. 14-CV-10798-00CL

| | | |
|---|---|---|
| THE HONOURABLE MR. | ) | TUESDAY, THE 23RD |
| | ) | |
| JUSTICE PENNY | ) | DAY OF DECEMBER, 2014 |

IN THE MATTER OF THE RECEIVERSHIP OF CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED, 1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED, 1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.

**ORDER**

**THIS MOTION,** made by A. FARBER & PARTNERS INC. in its capacity as the Court-appointed Receiver (the "Receiver") of the undertaking, property and assets of Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited, 1282648 Ontario Limited, 1382415 Ontario Ltd., and 1382416 Ontario Ltd. (the "**Debtors**"), for an order Amending paragraph 21 of the Order dated December 8, 2014 (the "**Appointment Order**") to provide that the Receiver may borrow up to $1,000,000 through the Receiver's Borrowings Charge described in that Order was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Receiver's Second Report dated December 19, 2014, and on hearing the submissions of counsel for the Receiver, and the other counsel listed on the counsel slip;

1. **THIS COURT ORDERS** that the Appointment Order be and hereby is amended by striking out the term "$500,000" in paragraph 21 thereof, and substituting the term "$1,000,000". All other terms of the Appointment Order are unaffected.

2. **THIS COURT ORDERS** the terms of this Order are without prejudice to the position or possible objections of Cesaroni Management Limited and/or Marquis Yachts LLC and Northpoint Commercial Finance LLC to the allocation and priority,

if any, of the charge for the Receiver's borrowings, fees and disbursements to their collateral.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

DEC 24 2014

**IN THE MATTER OF THE RECEIVERSHIP OF CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED, 1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED, 1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.**

Court File No. 14-CV-10798-00CL

**ONTARIO**
**SUPERIOR COURT OF JUSTICE**
**IN BANKRUPTCY**
**(COMMECIAL LIST)**
**Proceedings commenced at**
**Toronto**

**ORDER**


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Lawyers for A. Farber & Partners Inc. in its capacities as the Court appointed Receiver and as the trustee in bankruptcy of Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited 1282648 Ontario Limited, 1382415 Ontario Ltd., and 1382416 Ontario Ltd.

# TAB D

Commercial List File No. 14-CV-10798-00CL

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

IN THE MATTER OF THE RECEIVERSHIP OF
CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED,
1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED,
1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.

# THIRD REPORT OF THE RECEIVER

**FEBRUARY 8, 2015**

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Commercial List File No. 14-CV-10798-00CL

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

IN THE MATTER OF THE RECEIVERSHIP OF
CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED,
1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED,
1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.

# THIRD REPORT OF THE RECEIVER

**February 8, 2015**

A. FARBER & PARTNERS INC. in its capacity as the Court-appointed Receiver (the "**Receiver")** of Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited, 1282648 Ontario Limited, 1382415 Ontario Ltd., and 1382416 Ontario Ltd. (collectively the "**Companies**") hereby reports to the Court as follows:

## INTRODUCTION

1. On November 14, 2014, Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited, 1282648 Ontario Limited, 1382415 Ontario Ltd., and 1382416 Ontario Ltd. (collectively the "**Companies**") each filed a Notice of Intention to Make a Proposal (the "**NOI's**") pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**").

2. On November 20, 2014, the currently-known largest secured creditor, Crawmet Corp. ("**Crawmet**") filed motion material for a November 21, 2014 hearing seeking to (i) have the NOI's immediately terminated; (ii) appoint A. Farber & Partners Inc., as a receiver over the properties, assets and undertakings of the Companies and (iii) to substitute A. Farber &

Partners Inc. as bankruptcy trustee of the Companies. At the November 21, 2014 hearing, this motion was adjourned to December 1, 2014.

3. On November 21, 2014, A. Farber & Partners Inc. was appointed Interim Receiver of certain of the Companies pursuant to section 47.1 of the BIA to preserve and protect the assets, undertakings and properties of those Companies acquired for, or used in relation to the business carried on by the Companies, including all proceeds thereof (the "**Property**") pursuant to the November 21, 2014 Order of the Honourable Mr. Justice Penny (the "**Interim Order**"). A copy of the Interim Order is attached at **Appendix "A"**. A copy of the endorsement dated November 21, 2014 is attached at **Appendix "B"**.

4. On December 8, 2014, The Honourable Mr. Justice Newbould terminated the NOI proceedings of the Companies and appointed A. Farber & Partners Inc. as Receiver and also as trustee in bankruptcy (the "**Trustee**") of the Companies. A copy of the Order of that date is attached as **Appendix "C"**, and a copy of the handwritten Endorsement of that date is attached as **Appendix "D"**.

5. On December 12, 2014, the Receiver and Trustee brought a motion to correct a typographical error in the Order dated December 8, 2014 and for procedural consolidation of certain of the bankruptcy estates of the Companies and other administrative relief. The First Report of the Receiver and Trustee in that regard is attached (without appendices) as **Appendix "E"**. The Honourable Justice Newbould issued an Amended Order dated December 8, 2014 (the "**Appointment Order**") and also issued an order dated December 12, 2014 in respect of the consolidation and administrative relief, copies of which are attached as **Appendix "F"** and **Appendix "G"**, respectively.

6. On December 23, 2014, the Receiver and Trustee brought a motion to (i) approve the Second and Third Report of the Interim Receiver and the activities of the Interim Receiver set out therein; (ii) approve the fees of the Interim Receiver and its counsel; (iii) discharge A. Farber & Partners Inc. as Interim Receiver; (iv) increase the borrowing power of the Receiver; and (v) establish a property claims process pertaining to the proprietary and secured claims against tangible personal property of the Companies. The Second Report of the Receiver and Trustee in that regard is attached (without appendices) as **Appendix "H"**. On December 23,

2014, the Honourable Justice Penny issued Orders discharging the Interim Receiver, increasing the Receiver's borrowing power and approving a property claims procedure process. These orders are attached as **Appendix "I", "J"** and **"K",** respectively. A copy of the endorsement dated December 23, 2014 is attached as **Appendix "L"**.

## PURPOSE OF THIS REPORT

7. This is the third report of the Receiver (the "**Third Report**"). Its purpose is to seek an order:

a) approving the First, Second and Third Reports of the Receiver and the activities of the Receiver described therein;

b) approving the agreement of purchase and sale dated February 8, 2015 entered into between the Receiver and 2450902 Ontario Limited (the "**Stalking Horse Offer**") for the purpose of conducting the sales process described herein; and

c) approving the Sales Process described in this Report, the Sales Process Terms (as defined below) and in the draft Order sought.

## LIMITATION OF REVIEW

8. A. Farber & Partners Inc. in its capacity as Receiver has relied upon the financial records and information provided by the Companies, as well as other information supplied by management, appraisers, accountants, auditors and advisors, and has not, except as specifically noted in this Third Report, audited, reviewed or otherwise attempted to verify the accuracy or completeness of the above information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook. It has prepared this Third Report for the sole use of the Court and of the other stakeholders in these proceedings.

## A) OVERVIEW OF THE ASSETS AND BUSINESS OF THE COMPANIES

9. In order to better convey the activities of the Receiver and the considerations in favour of the Stalking Horse Offer, an explanation of the assets and business of the Companies is

required.

**Marina business**

10. The principal business of the Companies had been the operation of marinas at multiple locations, at which boats were stored (both in slips in the water and on land in the winter), maintained and serviced, and also bought and sold. To the knowledge of the Receiver, the sole operating entity among the Companies was Crate Marine Sales Limited ("**CMS**"). Some of the boat sales operations were done by CMS as purchaser or vendor (and in many cases in both capacities due to trade-ins of boats being accepted from purchasers), and in other cases CMS acted like a broker in selling or purchasing boats on behalf of third parties.

11. The corporate relationships among the Companies are set out in the organizational chart prepared by the Companies prior to these proceedings, a copy of which is attached as **Appendix "M"**. The Companies other than CMS either owned land used in the marina operations (primarily at Keswick), or owned other of the Companies as set out in the organization chart attached as Appendix "M".

**Marina locations**

12. The locations of the marina operations of the Companies prior to these proceedings were the following:

a) Keswick, Ontario, on Lake Simcoe;

b) Willow Beach, Ontario, on Lake Simcoe;

c) Lagoon City, Ontario, on Lake Simcoe;

d) Port McNicholl, Ontario, on Georgian Bay;

e) Port Credit, Ontario, on Lake Ontario; and

f) Saint.-Paul-de-L'Ile-aux-Noix, Quebec, on the Richelieu River north of Lake Champlain.

13. The marina locations other than at Keswick are leased.

14. The Port McNicholl location appears to have been abandoned prior to the appointment of the Receiver. There is no active business there, and the only significant asset of note is a

travellift, which appears to be leased. A property proof of claim in the amount of $324,000 has been filed by the equipment lessor. The Receiver believes that there is no equity in the equipment lease. The state of the lease with the landlord is not known.

15. The Willow Beach location is leased from 2192422 Ontario Inc. ("**219**"), which is a company that is owned 50% by 1382416 Ontario Ltd. (one of the Companies) and 50% by Dwight Powell Investments Inc. ("**DPII**"), who along with Dwight Powell is a creditor of the Companies. That lease appears to be in good standing as of the appointment of the Receiver.

16. The Lagoon City location is leased from 2124915 Ontario Inc., which is an arm's length landlord under the management of Talisker Corporation. It appears that there were long-standing arrears of rent at this location prior to the appointment of the Receiver. The lease expires by its terms on April 30, 2015, and the landlord has advised that it has leased the premises to a third party (Pride Marine Group) commencing May 1.

17. The premises used for the Keswick marina operations are owned by a combination of the Companies and individuals related to the Companies. Attached as **Appendix "N"** is a chart listing the lands by municipal address, Land Titles PIN, and registered owner. Attached as **Appendix "O"** is a map that graphically depicts the information set out in the chart, with the colours corresponding to the colours also listed in the chart.

**Non-marina business**

18. In addition to the marina business and landholdings as noted above, the Receiver has identified that the Companies had interests in other businesses or ventures, as follows:

a) CMS appears to have provided all funds necessary to acquire and service the lands registered in the names of members of the Crate family in the vicinity of the Keswick marina location, as depicted in Appendices "N" and "O" (the "**Adjacent Properties**"), which funds were recorded on the books of CMS as either expenses against income or notional advances to shareholders;

b) CMS appears to have similarly provided all funds necessary to acquire and service the property at 14 Highland Ave. in Belleville, apparently as a residence for Ryan Crate who was managing the marina at Belleville that was owned by Crate Belleville Inc., and in whose name that property is registered;

c) CMS appears to have loaned funds to Crate Belleville Inc. to start up and operate a marina at Belleville, Ontario; and

d) CMS appears to have provided funds in respect of loans or equity contributed by 1800239 Ontario Limited, which appears to be owned by Steven Crate, Greg Crate and Lynn Marko, for the franchise, land and construction of the Boston Pizza restaurant on the Queensway in Keswick, the full particulars of which are not yet known.

## B) THE RECEIVER'S ACTIVITIES SINCE APPOINTMENT

### Taking Possession

19. After the issuance of the Appointment Order, the Receiver took possession of the various Crate properties in Ontario (Keswick, Lagoon City, Willow Beach and Port Credit) and Quebec (Saint- Paul de- L'Ile-aux-Noix) and secured ongoing utility, insurance and other services in the Receiver's name. The Receiver retained certain staff to assist in the ongoing security of the Keswick Facility.

20. The Receiver contacted the insurer to arrange ongoing coverage, review the adequacy of the pre-existing coverage, and have the Receiver added as a named insured.

21. The Receiver contacted the Quebec landlord for the off-site storage facility where a number of the Quebec boats are stored. The Receiver also contacted Balsdon's Trucking in Pickering, Ontario, which is storing the 50' Marquis boat which is subject to litigation in the receivership. The Receiver has asked Balsdon's Trucking to retain this boat, which the Receiver intends to continue doing pending either agreement by the competing secured creditors or adjudication by the court as to entitlement to the boat or its proceeds.

22. The Receiver entered into discussions with the landlords of the Willow Beach and Lagoon City properties regarding issues and possible arrangements or agreements that may be reached to enhance administration of the estates of the Companies. As noted above, the Lagoon City landlord has leased that location to a new tenant when the current lease ends on April 30, 2015. The attempted negotiations with this landlord were ultimately unsuccessful as the landlord proceeded to enter into that new lease before continuing suggested discussions with the Receiver. Discussions with this landlord are ongoing regarding the resolution of outstanding issues as between the landlord and the Receiver on behalf of the Companies.

**Third Party Property**

23. The Companies were storing approximately 700 customer-owned boats and about 40 boats owned by CMS. The Receiver retained certain staff to prepare listings of the boats. The process has been difficult as the Companies' records did not include a comprehensive list of boats in storage. Further, the boats had been shrink-wrapped for winter storage so tracing a boat in the yard to an entry on the boat listings has been difficult. These boats are discussed in more detail below.

**Employees**

24. Subject to claims under s. 81.4 of the BIA, the Receiver paid the employees' arrears and arranged for final T4's and records of employment for all the employees

25. The Receiver prepared and submitted the employee data to Service Canada and the employees to facilitate the employee claims under the *Wage Earners' Protection Program Act.*

26. The Receiver retained certain staff to assist with, among other matters: (i) the statutory reporting duties of the Receiver, (ii) updating accounting records to provide updated accounts needed for the realization of the accounts receivable, (iii) dealing with customer calls on ongoing receivership issues and collection efforts for accounts receivable, (iv) winterization of the final boats not yet winterized as at December 8, 2014, (v) preparing listings of the Companies' boats and customers' boats, and (vi) invoices customers for unbilled items as of the date of the Appointment Order as well as for matters arising after the Appointment Order.

**Communications**

27. The Receiver issued its Notice of Receivership and Receiver's Statement pursuant to s. 245(1) and s. 246(1) of the BIA.

28. The Receiver posted notice of its appointment on the doors of the premises occupied by the Companies. As well notices of the appointment and copies of the various materials filed with the Court and the Court orders were posted on the Receiver's website. The Receiver also posted its information circular addressing common questions from the various

stakeholders and boat owners. The Receiver continues to maintain the website and update it with ongoing documents and information updates on the receivership and bankruptcy proceedings.

29. The Receiver has spent considerable time speaking, corresponding and emailing with the boat owners on numerous topics including the status of the receivership, the bankruptcy, the status and winterization of their boats in storage, the impact on owners who pre-paid 2015 slip rentals, insurance, the Proof of Property Claim Process (as defined below), and the likelihood of operations next season.

**Company Assets**

*Cash on Hand*

30. CMS had seven bank accounts with three different banks. The Receiver contacted the various banks to close the accounts and arrange for the funds on hand to be transferred to the Receiver's account. The accounts, except for CMS' main chequing account at Bank of Montreal with a nominal value, have been closed. The Receiver received $45,832.00 net of the refunded $2,000.00 deposit which was received after the appointment of the Proposal Trustee and was still on hand as at the date of the receivership and bankruptcy.

31. The Receiver considered leaving the accounts open so customers could pay accounts receivable by credit card; however, the Receiver was concerned about potential chargebacks by Moneris Inc., the credit card processor, if customers filed claims for refunds of prepaid 2015 slip rentals and other potential payments. As of January 23, 2015 Moneris Inc. advised that they have over $350,000.00 of chargebacks and will be amending their unsecured proof of claim accordingly.

*Accounts Receivable*

32. The Interim Receiver's Supplementary Report to its Second Report reported on the difficulties in reconciling and assessing the accounts receivable. The Interim Receiver's estimated re-stated accounts receivable were approximately $889,000.00 of which $586,648.00 were estimated as collectible. The Receiver has sent letters to all the customers and retained former CMS staff to follow up on the outstanding balances. To February 4,

2015, only $40,263.00 has been collected, which means that all other funding required to administer the Companies and the receiverships and estates in bankruptcy has come from Receiver's borrowing.

33. Many customers are claiming offsets for the amounts they prepaid for 2015 slip rentals and other reasons. In addition, many customers are having pre-filing amounts paid by credit card reversed. Some of the reversals relate to post-filing services such as 2015 slip rentals; however, other reversals are for services provided by CMS (i.e. service and winterization) and/or provided by the Receiver (i.e. winter storage). The Receiver is adjusting accounts receivable balances accordingly for chargeback amounts reported by Moneris Inc. The Receiver anticipates that, to the extent that the amounts in the accounts received are legitimate, payment may be enhanced when the 2015 boating season starts, which will be the time when customers require further services from the marinas or seek to retrieve their boats or other property.

*Boat Inventory owned by CMS*

34. In the Supplementary Report to the Second Report of the Interim Receiver dated December 4, 2014, the Interim Receiver reported at that time that it was unable to ascertain with certainty where each boat owned by CMS was located. While the shrink wrapping around the boats still poses challenges in identifying boats since serial numbers are in most instances covered, the Receiver has obtained maps of each of the marina properties in Keswick, Willow Beach and Lagoon City from staff of CMS along with the customer name, brand and location of each boat on the respective properties. . Boats owned by CMS are included on these maps and the Receiver has now had CMS staff verify where each specific inventory boat is located.

*Parts Inventory*

35. The Receiver has engaged former employees to update the accounting for the actual parts on-hand. The Receiver is advised that the parts and retail store inventory were physically counted on October 31, 2014 in anticipation of finalizing the year-end financial statements. The Receiver was advised that the inventory count sheets for certain of the parts

inventory went missing, reportedly just prior to the Receiver's appointment. The Receiver has arranged for its staff to recount the affected areas.

*Equipment*

36. The Receiver has compiled a list of the machinery, equipment and vehicles used in the various locations.

37. The Receiver is also tracking the location of equipment that was not on the premises, including a truck and trailer that were in Florida at the time of the receivership. The truck and trailer had been sent to Florida to pick up new boats in October 2014, but the supplier would not release the boats until they had been paid for. Ultimately, the boats were not paid for and the truck and trailer remain secured in the suppliers' yard in Florida pending further instructions from the Receiver.

38. The Receiver has also obtained an appraisal of the equipment, parts and boat inventories noted above from Hilco Asset Sales Canada ("**Hilco**") and Services FL ("**SFL**").

**Books and Records**

39. The Receiver has gone through the relevant portions of the information available in the Companies' books and records in order to fulfil its duties and obligations under the Appointment Order. The books and records were poorly maintained, and were stored on old computer hardware using old software making it difficult to manage and retrieve data. There were undisclosed (and hence unprocessed) transactions and it appears that certain books and records were removed just prior to the appointment of the Receiver.

40. Examples of undisclosed transactions include:

i) the redirection of a $42,000.00 commission due to CMS on the sale of a brokered boat to Mr. Steven Crate personally as described in the Third Report of the Interim Receiver;
ii) the receipt of $5,500.00 cash by Mr. Greg Crate from a customer for 2015 slip rental which was not recorded in the books and records; and
iii) an offset granted to a customer with a large accounts receivable balance due to the Companies. The offset being claimed by the customer was

allegedly in exchange for a pool installed on a property held in the name of Mr. Greg Crate.

41. In addition, there appear to have been significant payments from the Companies' accounts for the benefit of related parties, the bases of which do not appear fully documented.

42. The Receiver is also reviewing the 2014 boat sales (sales from inventory and brokered boat sales) given the boat and payment issues identified in the various Interim Receiver's reports.

43. The Receiver and the Trustee continue their investigations into the affairs of the Companies, including contacting various accountants, consultants and lawyers that previously provided services to the Companies.

**Adjacent Properties**

44. The Receiver's review of the books and records indicated that CMS had financed most, if not all, of the purchase and maintenance of the Adjacent Properties. However, the properties were held in the name of the principals of the Companies and related parties. The Receiver also became aware that certain of these Adjacent Properties had been put up for sale by the registered owners.

45. On January 13, 2015, the Receiver filed a Notice of Application seeking various relief including certificates of pending litigation against the Adjacent Properties and an order vesting title to the Adjacent Properties in the Receiver. On January 14, 2015, the Receiver brought a motion to obtain a certificate of pending litigation against the Adjacent Properties, which was granted by the Honourable Mr. Justice Newbould that day. The Receiver had the certificate of pending litigation registered on title to the Adjacent Properties.

46. A copy of the Receiver's Notice of Application for the Adjacent Properties is attached as **Appendix "P"**. A copy of the Order of January 14, 2015 is attached as **Appendix "Q"**. A copy of the registered certificate of pending litigation is attached as **Appendix "R"**.

**Belleville Property Registered in the Name of Ryan Gregory Crate**

47. Upon a further review of the Companies' books and records, the Receiver discovered

a property at 14 Highland Ave. in Belleville, Ontario registered in the name of Ryan Gregory Crate, the son of one of the directors of the Companies, which also appears to have been financed by CMS. The property is listed for sale.

48. On January 30, 2015, the Receiver issued an application seeking various relief including a certificate of pending litigation against this property and an order vesting title to it in the Receiver. That day, the Receiver brought a motion for a certificate of pending litigation against the Belleville property, which was granted by the Honourable Mr. Justice Newbould. The Receiver has filed a certificate of pending litigation against the Belleville property.

49. A copy of the Receiver's Notice of Application in respect of this property is attached as **Appendix "S"**. A copy of the Order of January 30, 2015 is attached as **Appendix "T"**. A copy of the registered certificate of pending litigation is attached as **Appendix "U"**.

**Possible amounts owing by former management**

50. The Receiver continues to review the books and records of the Companies to determine whether there are amounts that may be owing by Steven Crate, Greg Crate and/or Lynn Marko as former management and directors of the Companies.

51. The Receiver has identified that loans of approximately $1.8 million in total are outstanding to the estate of Lloyd Crate (deceased), Steven Crate, Greg Crate and Lynn Marko on the books of 1382415 Ontario Ltd., which appears to have been for certain amounts paid by CMS for the benefit of those individuals.

52. The Receiver is also reviewing allegations of cash or other payments made by third parties to individuals including Steven Crate, Greg Crate and Lynn Marko for services or materials acquired from CMS.

**Third Party Assets**

53. The Receiver reviewed the available books and records and, as set out in the Interim Receiver Reports and the Receiver's Second Report, the potential ownership claims of certain boats and other tangible personal property were uncertain. As a result, the Receiver and Trustee sought relief for a proposed property claims process as described in the Second Report

(the "**Proof of Property Process**"). The Proof of Property Process was approved by the order of the Honourable Mr. Justice Penny dated December 23, 2014 (the "**Property Claims Procedure Order**"). As noted above, a copy of the Property Claims Procedure Order is attached as Appendix "K".

54. The Receiver complied with paragraph 8 (a) of the Property Claims Procedure Order by posting a proof of property claim document package on its website and sending a copy to each of the Known Claimants (as defined in the Property Claims Procedure Order) for which it had addresses.

55. Paragraph 8(b) of the Property Claims Procedure Order directed the Receiver to cause to be published, on two separate days on or before January 9, 2015, a notice of the claims process in each of a local Keswick newspaper and a Canadian national newspaper. The Receiver had the required notices published in the Globe & Mail on January 7 and January 9, 2015. The local papers were only published weekly, so the Receiver had the required notices published in the Georgina Advocate (Keswick), the Innisfil Journal, the Barrie Advance and Orillia Today on January 8 and 15, 2015.

56. The Receiver sent numerous proof of property packages to additional parties as the Receiver became aware of them or as additional addresses were located prior to January 30, 2015. Some further proof of property packages are still being requested and supplied. The majority of the Receiver's communications with property claimants at this point are for updates on the process.

57. As of January 30, 2015, the Receiver has received approximately 700 claims. The deadline to submit a claim for the Proof of Property Process was January 30, 2015. The Receiver is conducting a detailed review of claims received prior to the deadline to assess which boats and other property may or may not have competing claims. The Receiver will provide in a subsequent report additional information on the status of the Proof of Property Process.

**Sales Options**

58. The Receiver reviewed the composition of the assets that were available for sale and

determined that the best realizations were likely from a sale of the business as an operating marina.

59. Furthermore, the value of the customer base to a potential operator would be more likely to be maintained if a sales process demonstrated that a new operator would soon be in place. This would give customers some comfort that an operator would run the marina business next season, and accordingly, the customers would be more likely to keep their business at the Companies' former premises. The value would be more likely maintained as well if the marina operations were sold early enough in 2015 so a new operator could contact customers before the boats started being taken out of winter storage in anticipation of the 2015 boating season. It is not clear that it would be financially or operationally prudent for the Receiver to attempt to operate the marina business itself in the 2105 boating season.

60. It is also possible that the Companies' real estate in the Keswick area (along with the interest, if any, of the Companies in the Adjacent Properties) will be of interest to real estate developers and the Receiver therefore intends as part of the Sales Process to make the purchase opportunity known to certain real estate developers.

61. The Receiver spent considerable time negotiating the Stalking Horse Offer (as described more fully below). This was a complicated process due to a number of factors including (i) there are multiple Companies with different real estate holdings and multiple cross-collateralized mortgages (ii) the uncertainty of potential claims on the CMS-owned boats (iii) the state of the books and records and (iv) the issues identified by the Receiver related to properties adjacent to the Keswick facility and other business activities of the Companies, as outlined above.

62. The Receiver was ultimately successful in obtaining the Stalking Horse Offer and has now finalized its proposed sales and marketing process to seek potential higher offers for the purchased assets in that agreement. The Sales Process and Stalking Horse Offer are discussed in more detail below.

**Security review**

63. Counsel for the Receiver has provided several security opinions to the Receiver, as

follows:

a) a restated opinion subject to the normal assumptions and qualifications regarding the validity and enforceability of the charges registered against the lands owned by the Companies, including those granted to Crawmet, DPII and Dwight Powell and which would be assumed by the Purchaser under the Stalking Horse Offer discussed below, a copy of which is attached as **Appendix "V"**;

b) a restated opinion subject to the normal assumptions and qualifications regarding the validity and enforceability of the charges registered against the Adjacent Properties, a copy of which is attached as **Appendix "W"**. Counsel has advised that in respect of 292 Wynhurst (one of the Adjacent Properties), which is registered in the name of Lynn Marko, the charge registered as instrument no. YR1670154 in the face amount of $1,000,000.00 in favour of Romith Investments Limited does not create or convey any interest in such property as a result of a *Planning Act* contravention, and the same consideration may mean that this charge might not create convey any interest in respect of 200 Wynhurst;

c) a restated opinion subject to the normal assumptions and qualifications and certain variances referred to regarding the validity, enforceability and perfection of the general security agreement granted by CMS in favour of Crawmet, a copy of which is attached as **Appendix "X"**; and

d) an opinion subject to the normal assumptions and qualifications regarding the validity, enforceability and perfection of the security agreement granted by CMS in favour of Marquis Yachts, LLC a copy of which is attached as **Appendix "Y"**.

64. Insofar as there is a motion by Marquis Yachts, LLC and Northpoint Commercial Finance, LLC, as the assignee of its interest, regarding the 50' yacht presently being held by Balsdon's Trucking, and given that the Receiver has determined that both the personal property security granted in favour of Marquis Yachts and also in favour of Crawmet are valid and enforceable as against the Receiver (subject to the normal assumptions and qualifications), the Receiver takes no position on that motion. The Receiver notes, however, that Crawmet has recently filed materials suggesting that the boat may have been sold outright to CMS rather than financed, which, if established, could affect the Receiver's position. As the priority issue between Marquis/Northpoint and Crawmet has already been brought before the Court, the Receiver has not reviewed that matter and expresses no opinion in that regard.

65. As noted in the opinion regarding the general security agreement granted by CMS in

favour of Crawmet, based on advice from Quebec counsel it would appear that since Crawmet has not effected a moveable security registration in Quebec, this general security agreement would not be effective against the Receiver and Trustee as far as the assets located in Quebec are concerned. Such assets in Quebec are, however, of modest value relative to the Purchase Price in the Stalking Horse Offer discussed below. In considering the Stalking Horse Offer, the Receiver has made an allowance for such non-effectiveness regarding the Quebec assets.

**Other**

*Funding*

66. The Receiver has issued two Receiver's Certificates to Crawmet for a total of $1,000,000.00, as permitted by the December 23, 2014 Borrowing Order. The funds obtained were used for the ongoing costs of the receivership and the fees and expenses of the Interim Receiver and its counsel as approved in the December 23, 2014 Interim Receiver Discharge Order. Funds were also used for certain fees and disbursements of the Receiver and its counsel between the Appointment Order and December 31, 2014.

*Bankruptcy*

67. The Trustee has been administering the bankruptcy estates, including chairing the first meetings of creditors and first meetings of inspectors on January 20, 2015. The activities of the Trustee will be reported on separately as provided for in the BIA.

## C) STALKING HORSE OFFER

68. The Stalking Horse Offer that has been negotiated and signed by the Receiver, subject to approval by this Court, is attached at **Appendix "Z"**.

69. The purchaser under the Stalking Horse Offer is 2450902 Ontario Limited (the "**Purchaser**"). The principals of the Purchaser are Benn-jay Spiegel and Dwight Powell, who are respectively principals of Crawmet and DPII, who are secured creditors of the Companies as described in the opinions of the Receiver's counsel referred to above and attached to this Third Report.

**What is to be sold**

70. The Stalking Horse Offer is for substantially all of the assets of the Companies. There are three main exclusions from the assets of the Companies that would be conveyed under the Stalking Horse Offer:

a) cash on hand at closing;

b) boats in the possession of the Companies for which there are, or were, boat slip leases or other bailment arrangements (the Receiver will bring a separate motion to the Court to deal with such boats after the Proof of Property Process has gone further); and

c) anything that the Purchaser may choose to exclude from the assets that would otherwise be subject to the Stalking Horse Offer (but if so there are no adjustments to the purchase price) .

71. In addition to the assets of the Companies relating to the business they operated, the assets that will be sold under the Stalking Horse Offer include claims that the Companies, the Receiver or the Trustee may have, including the applications that the Receiver and Trustee have commenced regarding the Adjacent Properties and the property at 14 Highland Ave. in Belleville. Also included will be any claims that CMS or other of the Companies have in respect of the funds paid by CMS for the interest of 1800239 Ontario Limited in the Boston Pizza business, the amounts owing by Crate Belleville Inc. as well as any amounts that may be owing by individuals including the estate of Lloyd Crate, Steven Crate, Greg Crate and Lynn Marko, for reasons including the shareholder loans listed as outstanding to 1382415 Ontario Ltd..

72. The Trustee will bring its own motion for approval to sign the Stalking Horse Offer and will file a separate report in that regard.

**The Purchase Price**

73. The Purchase Price under the Stalking Horse Offer is set out in section 2.2 of the Stalking Horse Offer, but is essentially comprised of:

a) the amounts owing under the mortgages granted to Crawmet, DPII and Dwight Powell, and all but $1,000,000.00 of the amounts secured under the general security agreement and owing in favour of Crawmet, as more fully

set out in Schedule "E" to the Stalking Horse Offer (the "**Assumed Secured Debt**"), which the Purchaser will assume;

b) cash for any and all amounts secured by the Receiver's Charge and the Receiver's Borrowings Charge at Closing;

c) cash in an amount that the Receiver will estimate for the aggregate of the fees, expenses, and disbursements of the Receiver and the Trustee, and of their counsel for the period after Closing until their discharge, but if the amount of such fees, expenses and disbursements are less than the estimated amount then the Purchaser shall be paid the surplus;

d) cash payments in the amounts of:

(i) Five Hundred and Fifty Thousand ($550,000) Dollars in respect of the portion of the Lands, as defined in the Stalking Horse Offer, municipally known as 7 and 8 Mac Ave., Keswick and legally described in PIN 03475-0135 (LT) (in addition to the assumption by the Purchaser of the Assumed Secured Debt registered against title thereto), and

(ii) Seven Hundred and Ten Thousand ($710,000) Dollars in respect of the portion of the Lands, as defined in the Stalking Horse Offer, municipally known as 210 Wynhurst Ave., Keswick and legally described in PINs 03475-1967 (LT) and 03475-1972 (LT);

e) any and all other amounts and claims on account of realty tax arrears, utility arrears and source deductions, if any, which rank in priority to the mortgages in favour of Crawmet, DPII and Dwight Powell, or the Crawmet GSA or against the assets being purchased; and

f) There are to be no adjustments to the Purchase Price in respect of any matter whatsoever.

74. The Receiver estimates that the Purchase Price as at March 31, 2015, assuming that is the Closing Date, will be approximately$25,951,784.00, made up as follows:

| Description | Price |
|---|---|
| Assumed Secured Debt | $22,973,033.00 |
| Cash for the Receiver's Borrowings Charge at Closing, inclusive of 12% interest | $1,0029,752.00 |
| Cash for Receiver's Charge at Closing | $1,000,000.00 |

| | |
|---|---|
| Estimated fees, disbursements and expenses of the Receiver and Trustee and their counsel from Closing to discharge | $300,000.00 |
| Payment for 7/8 Mac Ave. | $550,000.00 |
| Payment for 210 Wynhurst Ave. | $710,000.00 |
| amounts and claims on account of realty tax arrears, utility arrears and source deductions ranking in priority to the Assumed Secured Debt | $389,000.00 |
| **Total** | **$25,951.784** |

75. The Receiver has been advised the Purchaser will provide the $250,000.00 deposit within one business day of the acceptance by the Receiver of the Stalking Horse Offer as required by its terms. If that does not take place, the Receiver will provide a further report to the Court and the Service List prior to the return of the Receiver's motion.

**Review of the credit bid portions of the purchase price**

76. Since the Stalking Horse Offer is in large part comprised of a credit bid through the Assumed Secured Debt, the details of which are set out in Schedule "E" to the Stalking Horse Offer, the Receiver with the assistance of its counsel has conducted various due diligence to attempt to verify the amount of the Assumed Secured Debt in order to consider whether the credit at issue qualifies to make up part of the consideration of the Stalking Horse Offer and whether that offer is reasonable in comparison with the value of the assets to be sold.

77. As noted above, counsel for the Receiver has provided opinions subject to the normal assumptions and qualifications that the charges registered in favour of Crawmet, DPII and Dwight Powell are valid and enforceable as against the Receiver, as is the general security agreement in favour of Crawmet (except respecting assets in Quebec). The priority of the charges is addressed in the opinions, and the Receiver is not aware of any other secured creditor with a general security agreement.

78. The Receiver has reviewed the amount of the Assumed Secured Debt claimed by DPII, Dwight Powell and Crawmet. Based upon a review of information and documentation provided by DPII, Dwight Powell and Crawmet, the affidavits filed in the NOI proceedings, and also through a review of the books and records of the Companies, the Receiver has verified that, in the circumstances and subject to a number of discrepancies that the Receiver does not believe are material, those amounts are reasonably supportable.

79. In respect of facility "D" of Crawmet (see Schedule "E" to the Stalking Horse Offer), as was noted in the affidavit of Benn-Jay Spiegel sworn November 20, 2014, the advances under this facility were initially personally extended by Mr. Spiegel to CMS. The loans for the amounts so advanced were assigned by Mr. Spiegel to Crawmet by an assignment dated November 3, 2014. The Receiver believes that these amounts are supportable as part of the Assumed Secured Debt in reliance on the following:

a) The definition of "obligations" in the general security agreement in favour of Crawmet includes all obligations, debts and liabilities of CMS to Crawmet, wheresoever and howsoever incurred and, among other things, "whether arising from dealings between [Crawmet] and [CMS] or from other dealings or proceedings by which [Crawmet] may be or become in any manner whatever a creditor, obligee or promisee of [CMS]"; and

b) It appears that it was the contemporaneous intention of CMS and Crawmet that Crawmet loan these amounts. The general counsel of Crawmet, Allan Lyons, has provided the Receiver with an affidavit in which he stated that, among other things, CMS requested these loans from Crawmet on a basis that was stated to be urgent, and Crawmet agreed to provide them, but Mr. Spiegel temporarily issued personal cheques to CMS since the other signing officers of Crawmet were not available to sign cheques at the time that the advances were made.

**Evaluation of the prudence of proceeding with the Stalking Horse Offer**

80. The Receiver considers that value of the assets of the Companies is enhanced because the Stalking Horse Agreement (i) allows a mechanism to attempt to obtain *en bloc* offers and encourage further bids (without a break fee or payment of expenses of the Purchaser), and also (ii) provides assurances to customers of the Companies that there will likely be an operator in place for the marina locations in time for the 2015 boating season.

81. Since it is not known whether any Superior Bids, as defined in the Stalking Horse

Offer, will be made, the Receiver has considered the value being offered in the Stalking Horse Offer and concludes that it is appropriate value for the assets being purchased taking into account:

a) the value of the properties owned by the Companies as set out in the appraisals conducted by the Companies before the NOI litigation and for the stated purpose of financing, which was sealed in the NOI litigation and is attached as **Confidential Appendix "A"**;

b) the value of the properties referred to in (a) were likely optimistic and also reflect (by their terms) an orderly sales process rather than a distressed or forced sales process of the sort that the Receiver would implement but for the Stalking Horse Offer;

c) there would be sale costs consisting of real estate commissions estimated to be in the range of 5% commission and lawyers' fees and other closing costs for the properties referred to in (a);

d) the value of inventory (boats), parts, vehicles and equipment on the books and records of CMS is overstated as compared to liquidation estimates provided by Hilco and SFL;

e) there is likely modest value for goodwill at best, given the adverse publicity and repeated instances of funds not being kept in trust and customers of the Companies having lost funds due to the actions of prior management;

f) there is likely some value to the claims in respect of the Adjacent Properties and 14 Highland Ave. in Belleville, and the valuation of the Adjacent Properties was also included in Confidential Appendix "A" by the Companies when they commissioned it, but discounts are likely warranted for some litigation risk, expense of litigation and also the factors noted in items (b) and (c) above regarding adjustments as against appraised value (note that the valuation at Confidential Appendix "A" does not include 262 Queensway, which is one of the Adjacent Properties, but that was purchased on September 29, 2014 so the Receiver has considered its purchase price as an indication of value subject to adjustment);

g) there is a wide range of potential value in respect of possible claims that CMS may have in respect of the funds it paid for 1800239 Ontario Limited's interests in the Boston Pizza business, but this is subject to greater litigation risk given that the Receiver's investigation is not yet complete, subject to adjustment for the cost of any proceeding, and subject to adjustment because the recovery of any debt owing or equity held is also not guaranteed;

h) there is a wide range of potential value in respect of possible claims that the Companies may have against individuals, including the estate of Lloyd

Crate, Steven Crate, Greg Crate and Lynn Marko, for matters including the approximate $1.8 million listed as owing to 1382415 Ontario Ltd., but this is again subject to greater litigation risk given that the Receiver's investigation is not yet complete, subject to adjustment for the cost of any proceeding, and subject to adjustment because the recovery of any debt owing or equity held is also not guaranteed (particularly in light of the stated intent of several creditors, including the registrations on title by Canada Revenue Agency to pursue the assets of Messrs. Crate and Ms. Marko); and

i) there would be greater ongoing costs of the receivership if the Receiver were to sell the assets under an alternative forced sales process.

82. The Receiver has prepared a detailed analysis of the estimated ranges of the value of the assets being sold under the Stalking Horse Offer as compared to the value of the estimated Purchase Price under that offer, and has concluded that the Purchase Price in the Stalking Horse Offer is superior to the estimated ranges of recoverable value of the assets in a disposition through an alternative forced liquidation sales process. A copy of this analysis is attached as **Confidential Appendix "B"**.

**Commentary on allocation of purchase price**

83. The Receiver is cognizant that the allocation of the purchase price in the Stalking Horse Offer to the properties municipally known as 7/8 Mac Ave. and 210 Wynhurst Ave. in Keswick is likely to provide for less value than the charges registered against those properties by Cesaroni Management Limited ("**Cesaroni**"), Romith Investments Limited ("**Romith**") and Uplands Charitable Foundation ("**Uplands**").

84. The Receiver has been advised by the Purchaser that its investigations into the market value for those properties is considerably less than the value of the amounts owing under the charges in favour of Cesaroni, Romith and Uplands, and that the amounts allocated are what the Purchaser is prepared to pay in order to acquire those properties. The amounts offered are different than the appraisal information available to the Receiver as set out in Confidential Appendix "A".

85. The Receiver has reviewed the consideration being offered in the Stalking Horse Offer and the benefit of a mechanism to coherently market the assets being conveyed in it in a bidding process, and has concluded that the interests of the creditors and stakeholders of the

Companies on the whole is best served by accepting the Stalking Horse Offer.

86. Part of the Receiver's considerations in that regard are that it is the Receiver's understanding that the amounts owing by the Companies to Cesaroni and Romith are also secured against some or all of the lands municipally known as 200 and 292 Wynhurst and registered in the name of Lynn Marko, such that the likelihood of repayment of those amounts is reasonable having regard to the values given to those lands in Confidential Appendix "A".

87. The position of Cesaroni, Romith and Uplands on the Stalking Horse Offer and the Receiver's motion is not yet known, but will be developed in discussions among counsel prior to the return of the motion.

88. The Receiver is also cognizant that the allocation of the Purchase Price in the Stalking Horse Offer will yield no recovery allocable to the Quebec assets of the Companies, yet the Assumed Secured Debt appears to have no enforceable security against those assets. The Receiver believes that the Stalking Horse Offer nonetheless is supportable and commercially reasonable having regard to:

a) the relative value of the Quebec assets (as set out in Confidential Appendix "B"), both in terms of cost value on the books and records of the Companies, and also in terms of fair market and forced sale values as reported by Hilco and SFL, as compared to the overall consideration offered in the Stalking Horse Offer; and

b) the realizable value of the Quebec assets is likely minimal (or even negative) having regard to the priority amounts payable such as the portion of the Receiver's Charge and Receiver's Borrowing Charge allocable to those assets.

## D) PROPOSED SALES PROCESS

89. The sales process timeline that the Receiver has proposed has been designed to attempt to ensure that the process will be complete and a buyer of the assets in place for as soon as possible following the end of March. The Receiver has done so because the value in the assets would be more likely maintained if the marina operations were sold early enough in 2015 so that a new operator can contact customers before the boats start being taken out of

winter storage in anticipation of the 2015 boating season. It is not clear that it would be financially or operationally prudent for the Receiver to attempt to operate the marina business itself in the 2105 boating season

90. The proposed sales process is set out more fully in the draft Order attached as Schedule "A" to the Receiver's Notice of Motion, including the sales process terms attached as Schedule "A" to that Order (collectively the "**Sales Process**"), but the following is a summary the Sales Process:

| Description | Date |
|---|---|
| Order re: Stalking Horse and Sales Process | February 13, 2015 |
| Receiver sends teaser letter to parties in the same industry as the Companies and to other potential purchasers identified by the Receiver | As soon as possible after February 13, 2015 |
| Ads in the Globe & Mail (national edition) | February 23, 2015 |
| Ads in in the Georgina Advocate, Barrie Advance, Innisfil Journal and Orillia Today | March 2, 2015 |
| Superior Bids must be submitted to the Receiver | March 18, 2015 at 5:00pm (Toronto time) |
| If no Superior Bids | |
| motion for an Approval and Vesting Order for the Stalking Horse Offer | By March 27, 2015 |
| Closing of the Stalking Horse Offer | By March 31, 2015 |
| If one or more Superior Bids | |
| Receiver to send invitations to the Auction to all persons submitting Superior Bids and to the Stalking Horse Bidder | By March 20, 2015 at 3:00pm (Toronto time) |
| Auction at the offices of the Receiver | March 23, 2015 at 10:00 am (Toronto time) |
| motion for an Approval and Vesting Order for the Winning Bid | By April 1, 2015 |
| Closing of the Winning Bid | By April 8, 2015 |

| | |
|---|---|
| If the Winning Bid fails to close: Motion for Approval and Vesting Order for the Back-up Winning Bid and Closing of the Back-up Winning Bid | By April 20, 2015 |

## E) SEALING ORDER

91. The release of the information at Confidential Appendices "A" and "B" would be detrimental to the interests of the stakeholders of the Companies prior to the closing of a transaction under the Sales Process Terms. The release of that that information would also be prejudicial to the prosecution of the claims that the Companies may have as described in the Third Report, either by the Receiver or by a purchaser. The Receiver accordingly requests that these documents be sealed until further Order of the Court.

## F) CONCLUSION

92. A. Farber & Partners Inc. in its capacities as Receiver and Trustee accordingly seeks the Order attached as Schedule "A" to its Notice of Motion.

All of which is respectfully submitted this 8th day of February, 2015.

**A. FARBER & PARTNERS INC.**
**COURT-APPOINTED RECEIVER OF CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED, 1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED, 1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.**



Per: Stuart Mitchell
Senior Vice President

# TAB E

**CITATION:** Crate Marine, 2015 ONSC 1062
**COURT FILE NO.:** CV-14-00010798-00CL
**DATE:** 20150218

**SUPERIOR COURT OF JUSTICE – ONTARIO**

**(COMMERCIAL LIST)**

**IN THE MATTER OF THE RECEIVERSHIP OF** Crate Marine Sales Limited, F. S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited, 128648 Ontario Limited, 1382415 Ontario Ltd., and 1382416 Ontario Ltd.

**RE:** Crate Marine Sales Limited et al.

**BEFORE:** L. A. Pattillo J.

**COUNSEL:** *M. B. Rotsztain* and *R. B. Bissell*, for the Receiver and Trustee

*H. Chaiton* and *M. Poliak*, for Crawmet, and 2450902 Ontario Ltd.

*E. Bisceglia*, for Cesaroni Management Ltd.

*C. Prophet* and *H. Murray*, for Romith Investments Limited and Uplands Charitable Foundation

*J. D. Marshall*, for Marquis Yachts

*J. McReynolds*, for 2124915 Ontario Inc.

**HEARD:** February 13, 2015

## ENDORSEMENT

### Introduction

[1] On December 8, 2014, A. Farber & Partners was appointed as Receiver ("Receiver") and as Trustee in Bankruptcy ("Trustee") of Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited, 1282648 Ontario Limited, 1382415 Ontario Ltd., and 1382416 Ontario Ltd. (collectively the "Companies").

[2] The Receiver brings this motion for various orders including approval of an agreement of purchase and sale dated February 8, 2015 (the "Stalking Horse Offer") and a sales process which includes an auction for all of the assets of the Companies save and except for certain excluded

assets. Subsidiary issues are approval of the Receiver's first three Reports and its conduct as set out in the Reports and a sealing order of Confidential Appendices "A" and "B".

**Background**

[3] The Companies are related companies that operate marinas at multiple locations including a large marina in Keswick, Ontario, on Lake Simcoe. Crate Marine Sales Limited ("Crate Marine") is the sole operating entity. The remainder of the Companies either own land used in the marina operations (primarily at Keswick) or own other of the Companies.

[4] In addition to land, the assets of the Companies consist primarily of cash, accounts receivable, boats, parts and equipment as well as interests in other businesses or ventures involving members of the Crate family. The Receiver has obtained and filed certificates of pending litigation against certain properties in the vicinity of the Keswick marina location (the "Adjacent Properties") and against a property in Belleville, Ontario.

[5] After review of the assets available for sale, the Receiver has determined that the best realizations are likely to be obtained from a sale of the business as an operating marina. Furthermore, the sooner a sale takes place, the more likely the value of the customer base to a new owner/operator will be maintained as the 2015 boating season is not far off. The Receiver also recognizes that the Companies' real estate in the Keswick area as well as the possible interest in the Adjacent Properties will also likely be of interest to real estate developers.

**The Stalking Horse Offer**

[6] The negotiations to obtain the Stalking Horse Offer involved considerable time and were complicated due to a number of factors including (i) the Companies have different real estate holdings and multiple cross-collateralized mortgages; (ii) the uncertainty of potential claims on the Crate Marine owned boats; (iii) the state of the books and records; and (iv) the issues identified by the Receiver related to the Adjacent Properties and other business activities of the Companies.

[7] The Stalking Horse Offer is in large part comprised of a credit bid through assumed debt. The purchaser under the Stalking Horse Offer is 2450902 Ontario Limited (the "Purchaser") whose principals, Benn-Jay Spiegel and Dwight Powell are the respective principals of Crawmet Corp ("Crawmet") and Dwight Powell Investments Inc. ("DPII") who in turn are secured creditors of the Companies.

[8] The Stalking Horse Offer is for substantially all of the assets of the Companies. The three main exclusions are cash on hand at closing; boats in possession of the Companies where there are or were boat slip leases or other bailment arrangements; and anything the Purchaser may choose to exclude from the purchased assets without any adjustment of the purchase price. The assets to be sold also include the claims of the Companies and the Receiver and Trustee in respect of the Adjacent Lands, the Bellville property and other claims.

[9] The Receiver estimates that the purchase price under the Stalking Horse Offer at the time of the anticipated closing date will be approximately $25,951,784.00 made up of assumed secured debt of Crawmet, DPII and Dwight Powell in the amount of $22,973,033.00; cash for all

amounts secured by the Receiver's Charge and the Receiver's Borrowing Charge at Closing (approximately $2,000,000.00); cash for the estimated Receiver/Trustee fees and counsel fees from Closing to discharge (approximately $300,000); cash for realty tax arrears, utility arrears and source deductions ($389,000.00); and cash amounts for two properties in Keswick known municipally as 7 and 8 Mac Ave ($550,000) and 210 Wynhurst Ave. ($710,000) (collectively the "Properties").

[10] The Stalking Horse Offer contains no break fee or payment for the Purchaser's expenses.

[11] The Receiver considered the value being offered in the Stalking Horse Offer and concluded, for the reasons noted in the Third Report, that it is appropriate value for the assets being purchased. Having regard to the consideration being offered in the Stalking Horse Offer and the benefit of a mechanism to coherently market the assets being conveyed, the Receiver concluded that the interests of the creditors and stakeholders of the Companies were, on the whole, best served by accepting the Stalking Horse Offer.

**The Proposed Sale Process**

[12] The Receiver has proposed a sales process that involves notice to identified potential purchasers as well as more generally; a time period of approximately one month for submission of bids and if there are one or more superior bids to the Stalking Horse Offer, an auction at the Receiver's office involving the Purchaser and the superior bidders followed by a motion to the court for approval and a vesting order. The entire process is scheduled to take less than two months to complete.

**Analysis**

[13] A stalking horse offer combined with a court-approved bidding procedure is commonly used in insolvency situations to facilitate the sale of businesses and assets.

[14] In *Brainhunter Inc., Re.* (2009), 62 C.B.R. (5th) 41 (Ont. S. C. J.) at para. 13, Morawetz J. sets out four factors that the court should consider in exercising its discretion to determine whether to authorize a stalking horse process. The case involved a stalking horse sales process under the *Companies Creditors Arrangement Act* but in my view, the same considerations are applicable here. The factors are: is the sale transaction warranted at this time; will the sale benefit the "economic community"; do any of the creditors have a bona fide reason to object to the sale of the business; and is there a better viable alternative.

[15] The Receiver's Third Report makes it clear, in my view, that the sale is warranted at this time. I accept the Receiver's determination that the best realization of the assets will be achieved by the sale of the business as an operating marina. In order to accomplish that, the sale must take place as soon as possible to enable a purchaser to maintain the continuity of the business going forward into the 2015 boating season.

[16] Further, in my view, the proposed sale will benefit the "economic community". In addition to maximizing value, which is of benefit to all the creditors and stakeholders of the Companies, the continuation of the operation of the marina will also be of benefit to the greater Keswick community by way of preservation of jobs, contracts and business relationships.

[17] On the motion, the only creditors who objected to the Stalking Horse Offer were Cesaroni Management Limited ("Cesaroni"), Romith Investments Limited ("Romith") and Uplands Charitable Foundation ("Uplands") (collectively the "Objecting Creditors"). Cesaroni and Romith are mortgagees of 210 Wynhurst Ave. and Uplands is a mortgagee of 7 & 8 Mac Ave.

[18] The Objecting Creditors submit that the purchase price allocated in the Stalking Horse Offer for the Properties is not reflective of the fair market value for either of the Properties. Further, the allocated price will provide for less value than the respective charges registered against the Properties by the Objecting Creditors. In support of its position, Cesaroni has filed real estate appraisal indicating a value for 210 Wynhurst Ave. well in excess of the allocated purchase price. Uplands submits that it attempted to get an appraisal of 7&8 Mac Ave. but was unable to arrange it in the short notice given.

[19] The Objecting Creditors submit that 7&8 Mac Ave. and 210 Wynhurst Ave. should be removed from the Stalking Horse Offer and the proposed sales process. To support their position, they seek a brief adjournment in order to provide better evidence of value. In Cesaroni's case, it submits it will provide a bona fide offer for 210 Wynhurst Ave.

[20] The Objecting Creditors are not objecting to the sale of the business in general. They are objecting to the Properties that they have an interest in being included in the Stalking Horse Offer for the consideration proposed. But the Properties form part of or are adjacent to the properties that comprise the Companies marina operation in Keswick. For that reason, in my view, they should be included in the proposed sale and therefore remain part of the Stalking Horse Offer at this stage.

[21] In reaching its conclusion that the interests of the creditors and stakeholders of the Companies on the whole are best served by accepting the Stalking Horse Offer, the Receiver considered the fact that the allocated purchase price for the Properties would likely provide for less value than the charges registered against them by the Objecting Creditors. The Receiver also considered information from the Purchaser that its investigations indicated that the market value for the Properties is considerably less than the amounts owing under the charges held by the Objecting Creditors as well as its understanding that the amounts owing by the Companies to Cesaroni and Romith were secured against other lands held by a principal of the Companies.

[22] During the hearing, I was advised by counsel for the Receiver and the Purchaser that the Purchaser agreed that if its Stalking Horse Offer was the successful bid, it would still be bound by and complete the agreement of purchase and sale if one or either of the Properties were excluded from the sale subject to a price reduction based on the allocated amount.

[23] The real issue raised by the Objecting Creditors is the fairness to them of including the Properties in the Stalking Horse Offer for the consideration provided. In my view, that issue cannot and should not be decided in advance of approval of the relief sought by the Receiver on this motion. The interests of all of the creditors and stakeholders of the Companies in a sale of the business as an operating marina override the concerns of the Objecting Creditors at this stage.

[24] Accordingly, I am not prepared to adjourn the approval of the Stalking Horse Offer or the sale process at this stage or remove the Properties from the Stalking Horse Offer.

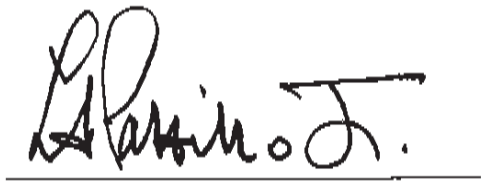
[25] In my view, the issue of whether the Properties should be included as part of the final sale or not should be determined at the time approval of a proposed sale is sought and having regard to the factors set out in *Royal Bank v. Soundair Corp.* (1991), 7 C.B.R. (3d) 1 (Ont. C.A.).

[26] Accordingly, for the above reasons, I approve the Stalking Horse Offer and authorize the Receiver to enter into the agreement of purchase and sale in that regard. I also approve the proposed sales process. In my view, the process is transparent and the proposed timeline is fair and reasonable given the circumstances.

[27] Confidential Appendices "A" and "B" contain appraisals obtained by the Companies prior to the litigation as well as the Receiver's analysis of the value of the assets being sold as compared to the purchase price under the Stalking Horse Offer and a detailed discussion of potential claims by the Companies. It is commercially sensitive information which would seriously interfere with the sales process, causing harm to the Companies and the stakeholders if made public. I conclude therefore that the test set out in *Sierra Club of Canada v. Canada (Minister of Finance)*, [2002] 2 S.C.R. 522 (S.C.C.) at para. 53 has been met. The Appendices will be sealed until final completion of the sales process or further order of the Court.

[28] Finally, I approve the First, Second and Third Reports of the Receiver and the activities as set out therein.

[29] To the extent that the time lines for the sales process as proposed by the Receiver at the hearing need to be altered given the delay in the release of these reasons, I may be spoken to.



L. A. Pattillo J.

**Released:** February 18, 2015

# TAB F

**CRATE MARINE SALES LIMITED ET AL.**

**RECEIVERSHIP STATEMENT OF RECEIPTS AND DISBURSEMENTS**
**as at February 18, 2015**

| | Feb-18 $ | Notes |
|---|---|---|
| **RECEIPTS** | | |
| Cash from Banks | 46,424 | |
| Accounts Receivable | 54,595 | **1** |
| Advances From Secured Creditor | 1,000,000 | |
| Other | 611 | |
| **TOTAL RECEIPTS** | 1,101,630 | |
| **DISBURSEMENTS** | | |
| Employees/Consultants | | |
| Arrears | 78,152 | |
| Ongoing | 92,258 | |
| Interim Receiver Fees to December 8, 2014 | | |
| Farber | 252,316 | |
| Goldman Sloan | 94,059 | |
| OSB Filing Fee | 70 | |
| Printing, mailing and Publication | 16,020 | |
| Insurance | 46,157 | |
| Mail Redirection | 662 | |
| Receiver expenses- mileage | 8,868 | |
| Changing Locks | 2,297 | |
| Security - third party | 3,318 | |
| IT | 4,821 | |
| Utilities | 25,279 | |
| Receivership Fees to January 4, 2015 | | |
| Receiver | 197,347 | |
| Goldman Sloan | 102,820 | |
| Quebec Agent | 23,965 | |
| Other | 1,163 | |
| Transfer to Trustee estates | 35,000 | |
| QST paid | 2,391 | |
| HST Paid | 92,490 | |
| **TOTAL DISBURSEMENTS** | 1,079,451 | |
| **NET RECEIPTS** | 22,180 | |

**Notes**

**1** A/R collections excludes $4,781 received by the Receiver for 2015 slip rentals services to be provided after April 1, 2015

# TAB G

Commercial List File No. 14-CV-10798-00CL

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

IN THE MATTER OF THE RECEIVERSHIP OF
CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED,
1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED,
1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.

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**AFFIDAVIT OF JOHN M. HENDRIKS**

**(Sworn March 6, 2015)**

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I, John M. Hendriks, CPA, CA, CIRP of the City of Toronto, hereby MAKE OATH AND SAY:

1. I am a Vice-President of A. Farber & Partners Inc., which is the Court appointed Receiver (the **"Receiver")** of Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited, 1282648 Ontario Limited, 1382415 Ontario Ltd. and 1382416 Ontario Ltd. (the "**Companies**") and have knowledge of the matters in this affidavit. Where this affidavit is based on information and belief, I have stated the source of that information and believe it to be true.

2. On December 8, 2014, the Honourable Mr. Justice Newbould appointed A. Farber & Partners Inc. as Receiver (and also as trustee in bankruptcy ) of the Companies.

3. The hourly billing rates outlined in **Exhibit "A"** to this affidavit are normal average hourly rates charged by A. Farber & Partners Inc. for services rendered in relation to engagements similar to its engagement as Receiver. These accounts accurately reflect the services provided by the Receiver in this matter.

4. Attached hereto and marked as **Exhibits "C"** and **"C"** are true copies of the statements of fees for the services rendered by the Receiver from December 8, 2014 to January 4, 2015 and January 5, 2015 to February 8, 2015 (the "**Accounts Approval Period**").

5. A total of 1,256.60 hours were expended by the Receiver in the Accounts Approval Period in performing services in its capacity as Receiver pursuant to the Order.

6. I make this affidavit in support of the Receiver's application for approval by this Honourable Court of, among other things, the fees and disbursements of the Receiver in the Accounts Approval Period.

**SWORN** before me at the City of Toronto, )
In the Province of Ontario )
This 6thday of March, 2015 )
)

**JOHN M. HENDRIKS, CPA, CA, CIRP**

A Commissioner for taking oaths, etc.

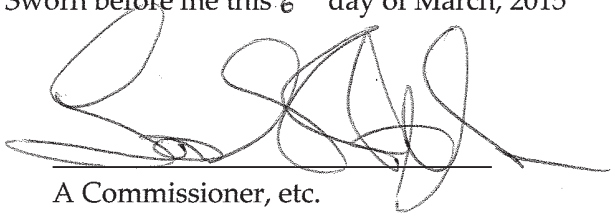
Leslie Anne Lloyd-Key, A Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: April 24, 2017.

EXHIBIT "A"

This is Exhibit "A" to the Affidavit of

John Hendriks

Sworn before me this 6th day of March, 2015



A Commissioner, etc.

Leslie Anne Lloyd-Key, A Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: April 24, 2017.

**APPENDIX A**

**A. FARBER & PARTNERS INC.**
**CRATE MARINE SALES LIMITED ET AL.**
**SUMMARY OF RECEIVER'S FEES**
**DECEMBER 8, 2014 TO FEBRUARY 8, 2015**

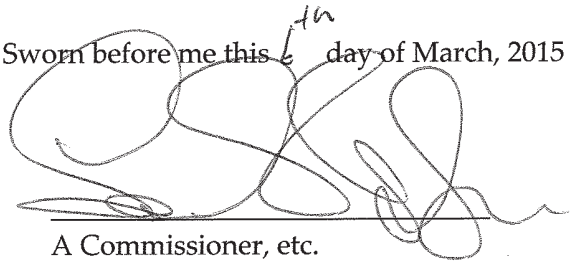
| | | Dec 8, 2014 to Jan. 4, 2015 | | Jan. 5, 2015 to Feb. 8, 2015 | | | |
|---|---|---|---|---|---|---|---|
| **Name** | **Rate Per Hour** | **Hours** | **Total** | **Hours** | **Total** | **Total Hours** | **Total Fees** |
| S. Mitchell | $575.00 | 132.50 | $ 76,187.50 | 174.00 | $ 100,050.00 | 306.50 | $ 176,237.50 |
| J. Hendriks | $525.00 | 51.10 | $ 26,827.50 | 95.30 | $ 50,032.50 | 146.40 | $ 76,860.00 |
| N. Litwack | $425.00 | 9.30 | $ 3,952.50 | 19.60 | $ 8,330.00 | 28.90 | $ 12,282.50 |
| A. Fisher | $480.00 | 35.05 | $ 16,824.00 | 62.35 | $ 29,928.00 | 97.40 | $ 46,752.00 |
| A. Fisher | $575.00 | | | 1.70 | $ 977.50 | 1.70 | $ 977.50 |
| R. Stelzer | $425.00 | 37.30 | $ 15,852.50 | 36.70 | $ 15,597.50 | 74.00 | $ 31,450.00 |
| P. Crawley | $425.00 | 112.00 | $ 47,600.00 | 176.50 | $ 75,012.50 | 288.50 | $ 122,612.50 |
| L. Samoilov | $165.00 | 13.70 | $ 2,260.50 | 19.80 | $ 3,267.00 | 33.50 | $ 5,527.50 |
| L. Blunda | $190.00 | | | 1.00 | $ 190.00 | 1.00 | $ 190.00 |
| R. MacArthur | $155.00 | | | 53.30 | $ 8,261.50 | 53.30 | $ 8,261.50 |
| L. Lloyd-Key | $155.00 | | | 8.10 | $ 1,255.50 | 8.10 | $ 1,255.50 |
| D. Da Silva-Falcione | $155.00 | 24.60 | $ 3,813.00 | 9.50 | $ 1,472.50 | 34.10 | $ 5,285.50 |
| A. Chopowick | $155.00 | 2.30 | $ 356.50 | 24.20 | $ 3,751.00 | 26.50 | $ 4,107.50 |
| G. Lowe | $155.00 | 23.70 | $ 3,673.50 | 133.00 | $ 20,615.00 | 156.70 | $ 24,288.50 |
| | | | | | | | |
| **Total** | | **441.55** | **$ 197,347.50** | **815.05** | **$ 318,740.50** | **1,256.60** | **516,088.00** |
| | | | | | Average hourly rate | $ | 410.70 |
| **Expenses:** | | | $ 3,400.70 | | $ 4,890.30 | | **$ 8,291.00** |
| **HST:** | | | $ 25,655.18 | | $ 41,436.27 | | **$ 67,091.45** |
| **Totals:** | | | **$ 226,403.38** | | **$ 365,067.07** | | **$ 591,470.45** |

EXHIBIT "B"

This is Exhibit "B" to the Affidavit of

John Hendriks

Sworn before me this 16 day of March, 2015



A Commissioner, etc.

Leslie Anne Lloyd-Key, A Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: April 24, 2017.

Farber
FINANCIAL GROUP

150 York Street
Suite 1600
Toronto, ON M5H 3S5
Canada
Office 416.497.0150
Fax 416.496.3839
www.farberfinancial.com

January 15, 2015

Crate Marine Sales Limited
290 The Queensway S.
Keswick, ON L4P 4H3

*Invoice No. 11528*

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**TO PROFESSIONAL SERVICES RENDERED BY A. FARBER & PARTNERS INC. for the period from December 8, 2014 to January 4, 2015.**

| DATE | SERVICE | STAFF |
|---|---|---|
| 11/11/2014 | Consulting fees - Corporate<br>Crates Marina - review draft Spiegel affidavit and meeting S Mitchell with comments. | Hendriks |
| 12/08/2014 | Consulting fees - Corporate<br>Attend at Keswick; address employees and various customers re: appointment of receiver; attend to immediate issues upon issuance of receivership order; amend door notices in Keswick; calls to sales staff; retain staff initially required. | Crawley |
| 12/08/2014 | Consulting fees - Corporate<br>Emails with J Hendriks re: appointment as Receiver and Trustee in Bankruptcy. | Da Silva-Falcione |
| 12/09/2014 | Consulting fees - Corporate<br>Review miscellaneous emails and conference call on strategy, next steps and allocation of duties; plan my time for rest of this week. | Fisher |
| 12/09/2014 | Consulting fees - Corporate<br>Open up offices; discussion with J Crawford; meeting with K Nicholson; meeting with sales team; discussions with G Scott and K Drew and others regarding 44 foot Regal claimed to have been purchased by G and P Scott; team call; collection of assets from G Campbell; walk of yard with G Staples; investigation into missing trailer. | Stelzer |
| 12/09/2014 | Consulting fees - Corporate<br>Call from Stelzer re commissioned salesmen and pending boat sales; calls and letters to the three banks re transactions posted after date of bankruptcy, arrangements to keep accounts open only to receive credit card deposits, sweeping funds, remove prior company authorities, etc.; queries from customers, | Hendriks |

creditors re status updates on 2015 prepaid slip rentals, security for stored boats, releasing stored boats, winterization, service, etc.; draft Receiver's information circular re key communication points to creditors, customers, boat owners etc.; P Crawley and R Stelzer re S Crate access; conference call with S Mitchell and staff re outstanding matters and ongoing planning/organizing/ implementing the numerous aspects of the receivership and discussions for budgeting/funding; emails and calls re leased assets and cross-referencing to PPSA; letter to Balsdon's re yacht in Pickering; call from Lyle of Hilco; calls and emails re salvage boat Aviva tried to pick up without any prior notice; initial discussions with S Mitchell and emails with GSNH re boat ownership claims bar process/court instructions due to multiple ownership claims on some boats.

12/09/2014 Consulting fees - Corporate Mitchell
All day from 9:00 a.m. until 10:00 p.m. emails, phone calls, meetings regarding all typical day one receivership matters including employees, security, inventory, updating computerized books and records, landlords, and directing various lawyers.

12/09/2014 Consulting fees - Corporate Lowe
Updating website; telephone calls with boat owners.

12/09/2014 Consulting fees - Corporate Crawley
Various matters responded to; conference call with team for planning; call to R Crate; discussion with R Grossi; contact Budget Propane to discuss Lagoon City situation and make arrangements to remove locks.

12/09/2014 Consulting fees - Corporate Litwack
Correspondence with propane provider re reinstating propane services at Lagoon City location; email correspondence from former employee re company assets and personal effects; conference call with team for action plan update.

12/10/2014 Consulting fees - Corporate Stelzer
Employment letters; call with P Crawley; correspondence with Froese; updated team to do list; call from G Scott and email to A Fisher; call with B Brinks and arrangements regarding IT.

12/10/2014 Consulting fees - Corporate Hendriks
Bank account monitoring; call with Davis and P Crawley re Quebec issues; letter and emails with Balsdon's re yacht

in Pickering; draft information circular to address key concerns of creditors and customers and forward to S Mitchell and staff for comment; ongoing calls and emails from creditors, customers and interested parties; staff re collections and premises issues; detailed call with insurance broker and update to S Mitchell et al;

12/10/2014 Consulting fees - Corporate Fisher
Attend at Keswick location to deal with miscellaneous matters regarding the wrapping of boats; email correspondence regarding a request to remove a boat by Patricia Scott.

12/10/2014 Consulting fees - Corporate Mitchell
Conversation with D Powell and his associate, Gena, regarding the Crate accounts receivable records to be updated and billed and collected; direct P Crawley to organize and set that up with Gena at the Keswick location; discussions with lawyers regarding the needed property claims bar process for which Court application must be organized; discussion with B Bissell regarding review of the various secured creditors documentation; direct staff and lawyers to prepare a letter to employees regarding new employment for the Receiver as well as termination notices; conversations with B Spiegel and D Stier regarding the Marquis boat situation and competing claims to property title, as well as security interests; throughout the day, direct staff and lawyers on all matters associated with administration of receivership.

12/10/2014 Consulting fees - Corporate Lowe
Emails and phone calls with boat owners.

12/10/2014 Consulting fees - Corporate Crawley
Attend at Keswick; change door notices; discussions with sales staff about termination of employment, various boat deals in process and plans going forward; discussions with several customers that attended the premises unannounced; direct K Nicholson in gathering of various information; correspond with H Davis re: Quebec communications.

12/10/2014 Consulting fees - Corporate Litwack
Email correspondence with W MacPhee re update on Lagoon City action plan; correspondence and meeting with N McLachlan of Talisker, Lagoon City landlord, to update on operations and provide keys to premises;

various email correspondence with team and legal counsel re Mr. Tupper's boat and insurance claim.

12/11/2014 Consulting fees - Corporate Hendriks

Call from insurance broker re customer (Tupper) claim being notified to Crate insurer; comments from S Mitchell and counsels and finalize information circular and distribute to all re speaking points for customer and creditor queries as well as post to website; update blurbs on website with Lowe; ongoing call from customers and creditors; review materials from Bissell for tomorrow's hearing and provide comments on Receiver's First Report; conference call with S Mitchell, R Stelzer and P Crawley re outstanding receivership issues follow up; discuss with S Mitchell re proposed Court-approved claims bar for boat ownership issues; email from S Mitchell and comment re yacht in Pickering; draft and get comments from staff for receivership weekly budget to Jan 31 and forward first draft to S Mitchell with draft Receiver's certificate; banking through Crate accounts.

12/11/2014 Consulting fees - Corporate Mitchell

From 10:00 a.m. until 7:00 p.m. working on various receivership matters including: telephone conversation with Marco of CRA Insolvency and Bankruptcy Department regarding the source deduction arrears and the HST arrears, the availability of the books and records and the need for government audits; lengthy telephone conversation with P Powell regarding the Willow Beach issues in respect of title to the land and personal property as well as issues associated with the marina operations lease; B Spiegel telephone call regarding funding required by the Receiver and discussions with issuance of a Receivership Certificate; correspondence with counsel regarding our draft Receiver's Information Circular that we propose to send to creditors, customers and slip renters as well as to post on our website; correspondence with A Fisher and B Bissell regarding a letter drafting and proposed to be sent to a boat owner addressing their complaints; telephone call from G Lokash, a boat owner and slip renter, regarding his concerns and suggestions; discuss with lawyers and start to consider the contents of a First Report of Receiver and Trustee to Court, which would be in support of an application which was discussed in a conference call with the lawyers regarding the Receiver Certificate, security reviews, Interim Receiver actions and fees approved as well as discharge, property claims bar process as well

as lease retention for the locations of Lagoon City, Willow Beach, and Quebec; conference call with J Hendriks, P Crawley, R Stelzer and A Fisher to discuss and give them guidance and direction on all new receivership matters being raised, including gathering the appropriate information on the accounts receivable and the boats and parts inventories, as well as dealing with tenants and other issues associated with buildings located on the Keswick site, as well as the Lagoon City, Willow Beach and Quebec sites; work with counsel regarding a draft email proposing an agreement with Marquis and its lawyer, J Marshall at BLG, in connection with the 50' Marquis boat that we have possession of in Pickering, and possibly selling it at the upcoming boat show in January at the Toronto Exhibition Place; email with H Davis of Montreal regarding issues and challenges at the Quebec premises as well as at the third party warehouse in Quebec where 13 boats are stored; telephone call with B Slade, who called from Florida in connection with Regal Boats, their interest in the assets of Crates and regarding the Crates truck and trailer which is presently sitting at the premises of Regal Boats in Orlando.

12/11/2014 Consulting fees - Corporate Stelzer
Travel to Crate; investigated Cruiser boats; discussion with supplier; discussions throughout the day with K Nicholson and G Staples; updated team list and team call; updated inventory list; meeting with P Scott and review of property claim; call with J Jones and arrangements related to Belleville.

12/11/2014 Consulting fees - Corporate Lowe
Preparing documents; updating website.

12/11/2014 Consulting fees - Corporate Crawley
Update to do list; calls with staff re: attendance at Keswick and snowplowing parking lot; call from D Thomas re: questions for Quebec staff; team conference call and follow up with wage calculations; wage arrears calculation; discussions with J Develatian; respond to email from D Thomas.

12/11/2014 Consulting fees - Corporate Litwack
Correspondence with W MacPhee re non-attendance at premises due to inclement weather; correspondence with legal counsel re Lagoon City landlord request.

| | | |
|---|---|---|
| 12/12/2014 | Consulting fees - Corporate<br>Document preparation. | Da Silva-Falcione |
| 12/12/2014 | Consulting fees - Corporate<br>Call with S Neilly; discussion with D Powell; discussion with S Mitchell; review of National Leasing trailer including correspondence with National Leasing and call to P Fry; call with P Crawley regarding payroll; call with G Staples; update of to do list. | Stelzer |
| 12/12/2014 | Consulting fees - Corporate<br>Travel to Keswick to assist Peter Crawley with attendance at premises. Discussions with controller Kris, review of general ledger and print general ledger for various related entity accounts regarding real estate transactions. | Fisher |
| 12/12/2014 | Consulting fees - Corporate<br>Meeting Lowe and emails and calls re customer queries; Bissell re today's hearing; calls and emails with insurance broker; banking; emails and conference call Mitchell and Crawley re outstanding matters and follow up including WEPPA, potential third party assets, facilities issues at the various locations etc.; estate funding follow up with Mitchell re Receiver's Certificates | Hendriks |
| 12/12/2014 | Consulting fees - Corporate<br>From 10:00 a.m. until 5:00 p.m. work solid on the receivership matters, including: telephone call with B Spiegel in connection with the boats and trailer in Belleville and the truck and trailer at the Regel premises in Florida, Greg Crate's in possession of the Crate's own house trailer which is stored at G Crate's cottage, as well as the Marquis boat matter under negotiation; direct staff and lawyers throughout the day by emails and telephone calls on all receivership matters constantly arising; discuss with B Spiegel the Receiver Certificate and the need for $500,000 of funding next week; correspondence with P Crawley in connection with his correspondence with G Crate in efforts to organize a truck and driver to haul the Crate owned house trailer from G Crate's cottage property; almost a one hour telephone conversation with D Powell regarding issues in connection with the Willow Beach location; address customer deposits for boats and prepaid slip issues with staff; telephone calls with B Bissell who is working on the Receiver's Court application regarding the claims bar process, an increase in the power of the Receiver to borrow against | Mitchell |

Receiver Certificates, as well as a Court approval of the Interim Receiver's actions and accounts, as well as a formal Court discharge of the Interim Receiver; correspondence with M Rotsztain and J Marshall negotiating a written agreement regarding the sale of the Marquis boat and the sale proceeds being held in trust by the Receiver.

12/12/2014 Consulting fees - Corporate Lowe
Review and responding to emails from various boat owners; updating information on website.

12/12/2014 Consulting fees - Corporate Crawley
Attend at Keswick.

12/13/2014 Consulting fees - Corporate Mitchell
Continue to work with lawyers and Marquis and its lawyer, J Marshall, attempting to negotiate a resolution of the Marquis boat deal, including allowing it to be sold at the Toronto Boat Show; correspondence with staff regarding reports of Receivership activities to date as well as the agenda for next week; discuss with lawyers and correspond with D Powell and Talisker with respect to the Willow Beach and Lagoon City properties and issues in connection with those properties and the leases.

12/14/2014 Consulting fees - Corporate Mitchell
Continue to work with both H Chaiton on behalf of Crawmet and M Rotsztain on behalf of the Receiver and J Marshall on behalf of Marquis attempting to come to an agreement on monetization of the boat; correspondence from and to Mr. Shoniker regarding his grievances and alleged fraud upon him by S Crate. Forward Mr. Shoniker's emails to our lawyers for comment and inclusion in Court application for a claims bar process.

12/14/2014 Consulting fees - Corporate Stelzer
Drafted termination letter and sent to counsel; review of property proof of claim of P Scott and National Leasing secured claim and related email; emails; updated to do list and sent to team; email to B Brinks.

12/15/2014 Consulting fees - Corporate Da Silva-Falcione
Discussion with J Hendriks re: Receiver's Information Circular to be mailed to all unsecured creditors; generate labels and coordinate mailing with ImageOn.

| | | |
|---|---|---|
| 12/15/2014 | Consulting fees - Corporate | Stelzer |

Discussion with A Fisher; update to inventory list and related call with S Mitchell and provided information requested by B Spiegel; review of updated inventory list from J Jones.

| | | |
|---|---|---|
| 12/15/2014 | Consulting fees - Corporate | Hendriks |

Funding certificates with S Mitchell; A Crawley re company bank accounts and ongoing deposits; P Crawley re facilities issues, accounting software license fees and first batch of Receiver expenses.

| | | |
|---|---|---|
| 12/15/2014 | Consulting fees - Corporate | Lowe |

Review and respond to various emails from boat owners; pay invoices from Propane company; telephone calls from utility company and boat owners.

| | | |
|---|---|---|
| 12/15/2014 | Consulting fees - Corporate | Crawley |

Attend at Keswick; review PPSA for assets subject to prior ranking security interests; direct staff in preparation of final payroll amounts, collection of A/R; email G Crate to return vehicles; met with Rob from RC Auto re: mechanics lien on truck in his possession; discussions with various customers who attended the premises; begin s245/246 Notice and Statement of Receiver; provide Marquis documents to H Chaiton.

| | | |
|---|---|---|
| 12/15/2014 | Consulting fees - Corporate | Mitchell |

Correspondence with B Spiegel regarding Cruisers Dealership Agreement contract termination; H Chaiton, M Rotsztain and P Crawley correspondence to unearth the documents in Keswick related to the Marquis boat; discussion with B Spiegel regarding Willow Beach and the meeting organized with D Powell for Thursday of this week; B Spiegel and A Lyons conference call re the Receiver's Certificate, the status of S Crate and his unavailability, the Interim Receiver accounts, the Cruisers Dealership Agreement, Mr. Powell and the Willow Beach issue, the boat inventory, the sales and marketing process of the marina, possible fraud claims to be filed with the insurer of Crates, and other related issues; direct staff regarding the trailers and boats that are off-premises and organize that some of them be moved to Keswick; numerous phone calls and emails with staff regarding payroll and WEPPA issues.

| | | |
|---|---|---|
| 12/15/2014 | Consulting fees - Corporate | Litwack |

Various telephone and email correspondence with third party security companies to assess cost and availability

for security services at Keswick, Lagoon City and Willow Beach locations; discussions with team re security needs and potential issues.

12/16/2014 Consulting fees - Corporate Stelzer
Call with B Brinks and review of new invoice; discussion with P Crawley regarding payroll calculations and secured proof of claim; discussion with S Mitchell regarding S Neilly.

12/16/2014 Consulting fees - Corporate Hendriks
S Mitchell re status update on outstanding issues, funding, security at facilities, plans to attend court and re information circular, etc.; Bissell re work up of expected funding requirements to January 31, 2014 re seeking Court approval for increased Receiver's borrowing limit; G Lowe and D Falcione information circular and forward copy to Crawmet and counsel; updates with P Crawley re facilities and re BIA 245/246 reports; letters to banks to close all accounts except BMO operating; S Mitchell, P Crawley and N Litwack re security at the various premises for now and over Christmas holidays.

12/16/2014 Consulting fees - Corporate Lowe
Contacting various utility companies to arrange for continuation of service and having future bills directed to Farber.

12/16/2014 Consulting fees - Corporate Crawley
Attend at Keswick; review payroll and s81.4 payout amounts; calculate 6 month max vacation pay entitlements and request staff to adjust; review financial statements for s245/246 report information; determine capacity to receive Marquis 500; emails with S Mitchell; call from B Spiegel; conference to discuss security needs for each location; arrange key to Keswick for employee.

12/16/2014 Consulting fees - Corporate Mitchell
Send to B Spiegel and A Lyons the proposed Receiver Information Circular for their comments; telephone call with M Rotsztain regarding the Lagoon City matter; meeting with M Scully and M Callery of Talisker, the landlord and owner of the Lagoon City marina property; correspondence with N Litwack and J Hendriks regarding quotes from prospective security guards at the various locations; correspondence with B Spiegel and A Lyons regarding the $500,000 Receiver's Certificate; conversations with P Crawley regarding

challenges and decisions to be made in connection with the payroll; correspondence with M Rotsztain regarding the Marquis boat arrangements that are being negotiated through their lawyer, J Marshall of BLG; H Chaiton correspondence regarding the deal proposed by Cruisers in connection with its Dealership Agreement.

12/16/2014 Consulting fees - Corporate Litwack
Various emails and correspondence with team re security needs; correspondence with third party security providers; correspondence with Lagoon City attendant and review of report provided.

12/16/2014 Banking - Corporate Samoilov
Open new bank account; setup bank account in Ascend; banking, posting.

12/17/2014 Consulting fees - Corporate Da Silva-Falcione
Review and update Notice and Statement of Receiver with secured creditor amounts from statements of affairs per P Crawley instruction.

12/17/2014 Consulting fees - Corporate Stelzer
Correspondence with S Neilly; discussion with J Hendriks; emails.

12/17/2014 Consulting fees - Corporate Hendriks
Funding issues with Mitchell and Crawley; meeting S and G Crate re receivership generally and re anticipated boat ownership and sales processes; review draft boat claim process order from Bissell; call from Weinczok re S Crate concerns; P Crawley and Nicholson re payroll arrears for all employees and ongoing pay for retained employees; call insurance broker and FCA Insurance re policy review; review draft emails re yacht in Pickering; boat owner queries.

12/17/2014 Consulting fees - Corporate Lowe
Review and responding to various emails from boat owners; various emails and telephone calls with utility companies.

12/17/2014 Consulting fees - Corporate Crawley
Attend at Keswick; discuss storage space and rearrangement of assets with G Staples; call to S McCarthy to explain status of his boat sale;

12/17/2014 Consulting fees - Corporate Mitchell
Telephone call with D Zenz of Cruisers regarding his

request that the Receiver release the interest of Crates from the Dealership Agreement; correspondence with M Rotsztain and H Chaiton to review and approve the proposed email to be sent to J Marshall regarding the Marquis boat; telephone call with B Spiegel regarding the boat inventory back in September 2014; P Crawley discussions regarding security guards, billings to customers regarding winterizing and servicing, collections of accounts receivable and various other pressing matters; correspondence with B Spiegel regarding the Marquis boat and the Cruisers Dealership Agreement and other related matters; supervise all staff and lawyers including preparation to hear our Motion for, amongst other things, a Property Claims Process.

12/17/2014 Consulting fees - Corporate Litwack
Correspondence with security firms re availability and other issues; discussions and emails with team outlining security quotes and what the services entail.

12/18/2014 Consulting fees - Corporate Hendriks
Funding from Pan; pre-receivership s.81.4 payment processing including reviewing and approving cheques; review Receiver's cash flow forecast with S Mitchell re payments to be paid at this time from Receiver certificate funding; review draft property claim process from Goldman Sloan; follow up with insurance broker to confirm coverage, Named Insured and discuss payment timing; P Crawley re compilation of Notices of Receiver for BIA and comparison to SOA's; queries from boat owners, equipment lessors and interested parties; S Mitchell re yacht in Pickering; draft email for S Mitchell re response to Lokash emails.

12/18/2014 Consulting fees - Corporate Lowe
Multiple emails with various boat owners, creditors and utility companies.

12/18/2014 Consulting fees - Corporate Crawley
Attend at Keswick for all on-site operational issues re premises, boat owners issues, WEPP and payroll arrears issues, review of books and records, etc.

12/18/2014 Consulting fees - Corporate Mitchell
Drive to Aurora to meet D Powell to discuss the Willow Beach marina, the possibility of he being a stalking-horse in the sales process, his claim for the 54-ft and the 38-ft Cruisers that are in the Receiver's possession and details of the shares in the "219"

numbered company that owns the Willow Beach marina, and which are in the name of one of the "138" corporations over which we are the Bankruptcy Trustee and Receiver, ; proceed back to office and sign cheques regarding the payroll, as well as legal fees; speak to D Zenz of Cruisers, as well as emails with him, to review the Dealership Agreement terms; meet and discuss with J Hendriks the insurance coverage review; correspond with P Crawley regarding the security guard coverage on the premises; correspondence with M Rotsztain regarding the second report of Receiver to Court and the Motion Record for our hearing next Tuesday; correspondence with J Marshall regarding the Marquis boat; consider draft legal opinion rendered by GSNH regarding the PPSA registrations of Crawmet and Marquis.

12/18/2014 Consulting fees - Corporate Litwack
Further correspondence with security firm re issues and availability update; information relayed to team and internal discussions on same.

12/18/2014 Banking - Corporate Samoilov
Banking, posting.

12/19/2014 Consulting fees - Corporate Fisher
Review of information to assist in preparation of Receiver's report; review and discuss with John Hendriks transactions with related parties regarding land owned by related parties.

12/19/2014 Consulting fees - Corporate Da Silva-Falcione
Emails with P Crawley re: Notice and Statement of Receiver; prepare Affidavit of IR Fees and Fee Schedule for J Hendriks review; emails with IT re: dedicated Crate Marine email address; emails with P Crawley re: customer data; update customer list in anticipation of large mailing next week.

12/19/2014 Consulting fees - Corporate Stelzer
Call with S Neilly to discuss employment and other issues related to Willow Beach; call from K Drew; correspondence with B Brinks.

12/19/2014 Consulting fees - Corporate Hendriks
Update to web blurb; review and provide edits and comments to Bissell re draft motion order and Receiver's Second Report; follow up with Crawley re Receiver's statement; call Mitchell and staff re security

and other outstanding receivership matters; follow up with banks re closing accounts and transferring funds to Receiver's account; boat owner and interested party calls; follow up insurance matters with broker and review payment schedule for remaining term.

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| 12/19/2014 | Consulting fees - Corporate<br>Multiple telephone calls and emails with boat owners. | Lowe |
| 12/19/2014 | Consulting fees - Corporate<br>Attend at Keswick; request payments for various disbursements and payroll; review A/R analysis from Gina F.; coordinate 24/7 security at Keswick with D Brown; calls with Walter and Barb Howells re: security patrols at Lagoon City; discuss security needs at Willow Beach with G Staples; various other matters. | Crawley |
| 12/19/2014 | Consulting fees - Corporate<br>Work with B Bissell on the Motion Record and the Receiver report in connection with the December 22 Court hearing; D Powell telephone call regarding his claim to the Cruisers 382 which is in our possession, as well as his interest in possibly being a stalking-horse bidder; telephone call with H Chaiton regarding his comments on the proposed Court-approved sales process and the timeline; finalize Motion Record with GSNH necessitating phone calls and emails with B Bissell, J Hendriks and M Rotsztain; emails and telephone calls with B Spiegel regarding some concerns in connection with security at Keswick and possible forensics review of boat transactions over the past year. | Mitchell |
| 12/19/2014 | Consulting fees - Corporate<br>Further discussions re security issues at all three locations. | Litwack |
| 12/19/2014 | Consulting fees - Corporate<br>Respond or forward information regarding telephone calls from boat owners with questions about their property and/or fees paid. | Chopowick |
| 12/19/2014 | Banking - Corporate<br>Banking, posting. | Samoilov |
| 12/20/2014 | Consulting fees - Corporate<br>Formatting Crate Marine customer list in anticipation of large mailing. | Da Silva-Falcione |
| 12/20/2014 | Consulting fees - Corporate | Mitchell |

Receive and review emails from staff regarding reports from security guards at the various sites; correspondence with B Spiegel and P Crawley regarding possible forensic review of boat sales in the past year and concerns about Kris, the Controller, at Keswick; emails from J Marshall regarding the Marquis boat and possible opposition to the Motion which we have brought for the Court hearing on Tuesday.

12/21/2014 Consulting fees - Corporate Hendriks
Sample sale process timetable; call S Mitchell, M Rotsztain, B Bissell and H Chaiton to discuss sales process and timing, property proof of claim process and yacht in Pickering.

12/21/2014 Consulting fees - Corporate Stelzer
Motion record; emails; K Drew email; email to B Brinks.

12/21/2014 Consulting fees - Corporate Mitchell
Correspondence with P Crawley regarding security guard reports; B Spiegel and R Stelzer correspondence regarding concerns about the email address of S Crate and possible forensic review of boat transactions; conference call from 9:00 pm until 10:20 pm with H Chaiton, M Rotsztain, B Bissell and J Hendriks regarding the Court Motion for the property claims process on Tuesday and plans for a January 5 subsequent Court Motion to gain approval for a sales process; review and approve the Section 245/246 Report of Receiver.

12/21/2014 Consulting fees - Corporate Da Silva-Falcione
Continue formatting customer list in anticipation of mailing.

12/21/2014 Consulting fees - Corporate Crawley
Review security report from W Howells and respond to various emails from S Mitchell throughout the day.

12/22/2014 Consulting fees - Corporate Lowe
Updating website. Responding to various emails. Telephone calls with customers and utility companies.

12/22/2014 Consulting fees - Corporate Stelzer
Emails.

12/22/2014 Consulting fees - Corporate Da Silva-Falcione
Continue to format customer list in anticipation of mailing; respond to numerous customer inquiries; finalize Notice and Statement of Receiver unsecured creditor list and fax

Notice and Statement of Receiver to OR.

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| 12/22/2014 | Consulting fees - Corporate | Hendriks |

Banking updates; meeting Mitchell re various outstanding receivership issues; update proposed sales process timeline and circulate to counsels; calls from boat owners; final comments on 245/246 notices; website updates for Receiver Second Report materials filed by Receiver and BLG and updates re other motion filed by BLG; Crawley re operations in Keswick.

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| 12/22/2014 | Consulting fees - Corporate | Mitchell |

Review and respond in connection with emails from R Rothbart, lawyer for Talisker, the owner of the Lagoon City Marina property concerning his protests about the proposed Property Claims Process Order; throughout the day, correspond with J Hendriks and B Bissell, working on the Sales Process timeline in support of the Motion Record seeking an Order for a Sales Process which is being drafted; preparation for a Court hearing tomorrow morning regarding the Claim Process for property in the possession of the Receiver; email with S Levin regarding his boat; direct P Crawley regarding accounts receivable clean up and collection efforts; phone with B Spiegel regarding the email address of S Crate, a possible forensic review of boat transactions, discussions with D Powell regarding the Willow Beach Marina as well as the Cruisers 382, the Sales Process, the Claims Process and general administration of the receivership; emails with Don Rogers regarding his property claim and bank marine mortgages; telephone call with D Powell regarding the sale of 10 Mac Avenue, Willow Beach customers who rent slips, Property Claims Process and the offer from S Bell regarding the Cruisers 382; receive and review the Marquis Motion Record forwarded by J Marshall of BLG; discuss with H Chaiton his comments regarding the Claims Process draft Order and consider proposed changes; direct staff re the work schedule over the Holidays; advise J Hendriks regarding the script for G Lowe to advise Property Claimants, as well as the process for registry of those; review with J Hendriks challenges regarding the land ownerships of the abutting properties near the marina and the prospects for including same in the Sales Process; review detailed daily update from P Crawley and comment to him and to all other staff on ongoing administration obligations.

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| 12/22/2014 | Consulting fees - Corporate | Crawley |

Attend At Keswick; complete s245/246 report; walk premises with Fire inspector; calls from various customers; direct staff in verification of AR balances and development of tracking worksheet; prepare detailed update for S. Mitchell and update receivership task list; review various boat transactions; met with security guard; review J. McGrath request to remove customer parts for repair and decline request due to unpaid accounts.

12/22/2014 Consulting fees - Corporate Chopowick
Respond or forward information regarding telephone calls from boat owners with questions about their property and/or fees paid.

12/22/2014 Banking - Corporate Samoilov
Banking, posting.

12/23/2014 Consulting fees - Corporate Stelzer
Emails; correspondence with B Brinks on restoring email access to key people.

12/23/2014 Consulting fees - Corporate Da Silva-Falcione
Emails re: mail re-directions for 4 locations/addresses; complete forms, authorization letters and submit cheque requisitions; attend at post office and complete mail re-directions for 4 locations.

12/23/2014 Consulting fees - Corporate Hendriks
Interested party and boat owner issues; P Crawley re facilities needs over the holidays; S Mitchell re property claim process hearing today and matters to follow up; S Mitchell et al re sale process and analysis of available properties in companies' names and those of related parties; insurance premium due by Dec 30 to MMR Insurance for January coverages.

12/23/2014 Consulting fees - Corporate Hendriks
Email Northern Yacht Sales and add to interested party list; P Crawley re holiday arrangements for premises.

12/23/2014 Consulting fees - Corporate Mitchell
From 9:00 am until 12:30 pm, prepare for, then attend at Court regarding the Motion; subsequently debrief staff re the resultant Court Order and speak to B Spiegel regarding: mailing of notices regarding the property claim review process; increase borrowing ability under Receiver's Certificates; the proposed Sales Process to commence early January with Court approval and to

end with the closing of a transaction towards the latter half of March; the status of D Powell's claims regarding the Cruisers 382, the sale of the Keswick land by the Receiver and the Sale of Willow Beach by the Receiver; email correspondence with S Crate, Kris (the Bookkeeper), Willow Beach, Lagoon City, Port McNichol and St. Paul; possible forensics review of boat transactions utilizing a former accountant employee, J Rotman; security guards attendance at all of the sites; 42-foot Fountain boat plus trailer worth about $700,000, that likely was a trade from Keswick and the need to investigate its whereabouts; and funding provided by Crates Marina to the Boston Pizza in Keswick; meeting with J Hendriks to review the Keswick land parcel and which properties to include in the Sales Process; S Levin phone call regarding his boat and the Property Proof of Claim Process; conference call at 9:00 pm with counsel, and J Hendriks regarding the Motion Record to be drafted in support of an application seeking an Order approving a Sales Process by the Receiver.

12/23/2014 Consulting fees - Corporate Crawley

Attend at Keswick; review A/R tracking sheet with Kris N; provide Kris N with direction on accumulation of employee info required for WEPP claims; calls with Wayne M re: Lagoon City mail, A/R and propane access; request fuel replenishments for LC and Keswick; instruct G Staples in tasks; review security reports from D Brown and W Howells.

12/23/2014 Banking - Corporate Samoilov

Prepare and forward to CRA RC59 form; prepare and process to CRA request to open divisional RT and RP accounts; banking, posting.

12/24/2014 Consulting fees - Corporate Fisher

Review title searches and maps; review general ledgers regarding "shareholder accounts" related to adjacent properties, discussions with Peter Crawley and Stuart Mitchell regarding adjacent properties; draft letters to Steven Crate, Greg Crate and Lynn Marko regarding the return of records of the company; emails with Michael Weinczok regarding contact details for Steven, Greg and Lynn.

12/24/2014 Consulting fees - Corporate Hendriks

Calls and emails re adjacent lands, access to the various premises, security and utilities over the holidays,

customer queries, BMO accounts and customer deposit refund request, Receiver's court-approved property proof of claim process.

12/24/2014 Consulting fees - Corporate Mitchell
Review the master accounts receivable Excel spreadsheet prepared by P Crawley to incorporate the apparent accounts for all of the locations and to be pursued for collection by telephone calls and letters; review the December 22 work plan circulated by P Crawley regarding security presence at each of the Crates Marina sites, accounts receivable collections and other receivership administrative obligations; correspondence with A Fisher and various lawyers regarding inclusion of the abutting residential properties in the sale of the Keswick marina property and the possible necessity for obtaining Certificates of Pending Litigation in order to stop any possible sale of these properties by any party other than the Receiver; correspondence with P Crawley and B Spiegel regarding the Cruisers 382 payment documents versus the claim of D Powell advanced on behalf of Willow Beach Marina; detailed review of all of the accounts receivable and question staff on certain of the accounts; email exchange with M Weinczok of Dickinson Wright regarding which corporations and individuals that firm is presently acting on behalf of; telephone call with B Spiegel regarding the Cruisers 382 and the Property Proof of Claim Process; review the October 20, 2014 meeting transcript of the almost three hour conversation that took place in Keswick with myself, B Spiegel, D Stier, S Crate and L (Crate) Marko searching for information in support of a possible claim by the Receiver to the abutting residential lands in the Keswick Marina area.

12/24/2014 Consulting fees - Corporate Crawley
Attend at Keswick.

12/24/2014 Banking - Corporate Samoilov
Banking, posting; phone call to RBC re account activity.

12/25/2014 Consulting fees - Corporate Mitchell
Review correspondence from staff and from security guard personnel to ensure adequate preservation and control of the various premises/sites; correspondence with staff and lawyers regarding preparation of the draft Motion Record in support of a Sales Process including telephone calls and emails.

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| 12/26/2014 | Consulting fees - Corporate<br>Review correspondence from staff and from security guard personnel to ensure adequate preservation and control of the various premises/sites; correspondence with staff and lawyers regarding preparation of the draft Motion Record in support of a Sales Process including telephone calls and emails. | Mitchell |
| 12/27/2014 | Consulting fees - Corporate<br>Review correspondence from staff and from security guard personnel to ensure adequate preservation and control of the various premises/sites; correspondence with staff and lawyers regarding preparation of the draft Motion Record in support of a Sales Process including telephone calls and emails. | Mitchell |
| 12/28/2014 | Consulting fees - Corporate<br>Review correspondence from staff and from security guard personnel to ensure adequate preservation and control of the various premises/sites; correspondence with staff and lawyers regarding preparation of the draft Motion Record in support of a Sales Process including telephone calls and emails. | Mitchell |
| 12/29/2014 | Consulting fees - Corporate<br>Spend day at Keswick location; work with Kris and Kim on boat owners list for claims bar process; discussions, emails, correspondence and review of information regarding properties adjacent to main marina. | Fisher |
| 12/29/2014 | Consulting fees - Corporate<br>Numerous emails, calls, prepare listing of Keswick boat customers per G Staples' map. | Crawley |
| 12/29/2014 | Consulting fees - Corporate<br>Create Property Claim package for customers and Notice of Disallowance of package in anticipation of mailing; update website with Orders obtained on December 23, 2014 and Proof of Property Document Package; discussions with J Hendriks re: website updating, proof of property document package mailing and placing Ads in paper per Court Order; emails with Globe & Mail and local papers re: Ads; process property claim; review and reconcile supplementary customer mailing list to list we already have; respond to customer and creditor inquiries; approve Ads for local newspapers. | Da Silva-Falcione |

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| 12/29/2014 | Consulting fees - Corporate | Hendriks |

D Falcione, S Mitchell and A Fisher re publication and mailing lists for property proof package, including adding to website; conference call GSLN, S Mitchell and H Chaiton re sale process, stalking horse, adjacent properties, etc.; general calls and emails re utilities, ISDN, security, review of adjacent property files, publication costs, etc.

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| 12/29/2014 | Consulting fees - Corporate | Mitchell |

Organized then Chair a conference call with H Chaiton, M Rotsztain, B Bissell, J Hendriks regarding: the Sales Process for which we are drafting a Court Motion; the terms and conditions of a Stalking Horse Bid to be made by a combination of Mr. Spiegel and Mr. Powell; the possible inclusion of the residential and other adjacent properties in the Sales Process; the anticipated Court Hearing date that need be set down; review of the Crawmet security documentation; real property appraisal issues and other sundry matters. Supervise staff involved with the mailing to about 1,000 recipients of our Notice of Court Order in respect of the Property Claims Process. Review with staff the updates and reports of the property security guards and determine that all is proceeding satisfactorily. Correspondence with B Bissell regarding real property title searches, especially for non-core marina lands in Keswick, Willow Beach, Belleville and Lagoon City areas. Email correspondence with various lawyers at different firms, as well as staff, regarding the Crawmet security review. Supervise the staff reviewing the records of Crates in respect of the adjacent residential properties for possible inclusion in the Sales Process, including letters to Crate's lawyers and to Crate's accountants in attempts to gather books and records and other documentation that may be of assistance, as well as letters posted to the homes of Lynn Marko, Greg Crate and Steven Crate regarding any files or documents that may be in their possession.

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| 12/29/2014 | Banking - Corporate | Samoilov |

Banking, posting.

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| 12/30/2014 | Consulting fees - Corporate | Fisher |

Discussions and emails regarding customer list for claim process on boat ownership; discussions, emails and planning review of adjacent properties; get addresses and contact details for Steven Crate, Lynn Marko and Greg Crate.

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| 12/30/2014 | Consulting fees - Corporate | Da Silva-Falcione |

Extensive work to finalize and format supplementary customer mailing list for notice of proof of property claim process; generate labels; coordinate mailing; review numerous emails throughout the day; finalize Ads for local and national newspaper publication; work to try and obtain customer addresses for Willow Beach and Quebec locations; discussion with S Neilly re: Willow Beach customers/boat owners and send email re: same; respond to customer inquiries; process property claims.

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| 12/30/2014 | Consulting fees - Corporate | Hendriks |

D Falcione re property proof ad in Globe; S Mitchell re funding, expenses to date, adjacent properties, other properties, secured creditors, etc.

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| 12/30/2014 | Consulting fees - Corporate | Mitchell |

Continue to supervise and assist staff in gathering postal addresses for the mailings of the Property Proof of Claim Notices as well as in placing advertisements in the appropriate newspapers in accordance with our Court Order; review Quebec lawyer's legal searches and opinions on secured claims registered under systems in Quebec and discuss same with M Rotsztain. Correspondence with B Bissell and H Chaiton regarding the residential properties information searches, the Stalking Horse Bid and the Asset Purchase Agreement. Email with C Vicente regarding his boat at Keswick and his unsecured claim. B Bissell and A Fisher correspondence and phone regarding the residential properties, title searches and possible inclusion in the Sales Process including what documentation the lawyers will require in order to initiate a Statement of Claim and file a Certificate of Pending Litigation on title. Phone and email with M Rotsztain regarding the Quebec law firm opinion in respect of moveables and security searches. J Hendriks phone and Excel spreadsheet review regarding the Receiver's cash flow budget until the end of January 2015 and the Receiver's Certificate needing to be issued to Crawmet to further fund the administration. B Bissell correspondence regarding the Crate's Landing development across the river. M Rotsztain emails regarding the applicability of the Crawmet security on assets located in Quebec. Review the transcript of the recorded meeting in Keswick at the end of October 2014 and, in particular, search for paragraph references re comments made by Lynn and Steven Crate in respect of the adjacent

residential properties and provide that information to B Bissell and M Rotsztain.

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| 12/30/2014 | Consulting fees - Corporate<br>Telephone discussion with boat owner re receivership process and property claim documentation to be sent. | Chopowick |
| 12/30/2014 | Banking - Corporate<br>Banking, posting. | Samoilov |
| 12/31/2014 | Consulting fees - Corporate<br>Review documents and emails in preparation for review of adjacent properties; review of misc. emails. | Fisher |
| 12/31/2014 | Consulting fees - Corporate<br>Lengthy telephone call with S Neilly of Willow Beach marina to obtain names and addresses of all boat owners for Notice of Proof of Property Claim mailing; organize data and generate labels for mailing; coordinate mailing; review and respond to emails through the day. | Da Silva-Falcione |
| 12/31/2014 | Consulting fees - Corporate<br>Calls, emails and meetings S Mitchell and counsel re funding requirements for January 2015, adjacent properties and funding thereof, property proof process re boat owners and secured creditors, etc. | Hendriks |
| 12/31/2014 | Consulting fees - Corporate<br>Work with staff and lawyers to chase down: house on Highland in Belleville; boats in Quebec covered by Crawmet GSA; Quebec addresses for mailing of Property Proof of Claim Notices; Willow Beach addresses for mailing of Notices; review real property appraisal, commissioned by Crate's Marina prior to the receivership, to attempt to identify the appraised values of the particular land parcels secured by mortgages of Crawmet and Powell, then inform B Bissell and M Rotsztain of that information, all in support of the Sales Process and the possible evaluation of the Stalking Horse Bid to be made by Crawmet and Powell. Review with J Hendriks the Receiver's cash flow budget to the end of January and a draft email to B Spiegel regarding a request for Receiver's Certificate No. 2. | Mitchell |
| 12/31/2014 | Consulting fees - Corporate<br>Telephone discussions with boat owners re receivership process, property claim documentation being sent and | Chopowick |

information posted on website; provide assistance in completing Property Claim form.

01/01/2015 Consulting fees - Corporate Mitchell
Emails and phone calls with lawyers and staff to continue the receivership administration efforts, including: collection of accounts receivable; sorting out constructive trust ownership of certain real property; evaluating new and used boats and parts inventory; audit of boat transactions; Property Proof of Claim Notice mailings; ongoing work on the Sales Process Court Motion; and generally ensuring all reasonable efforts are being made to progress all matters at hand.

01/02/2015 Consulting fees - Corporate Da Silva-Falcione
Respond to inquiries; process Property Proofs of Claim; review/process re-directed mail; conduct cross reference between Lagoon City inventory map and Lagoon City mailing list and report findings to S Mitchell, J Hendriks and P Crawley.

01/02/2015 Consulting fees - Corporate Fisher
Attend at Keswick location to investigate transactions surrounding adjacent property.

01/02/2015 Consulting fees - Corporate Mitchell
Supervise staff and lawyers regarding ongoing work and efforts attempting to identify the adjacent and other real properties for which, in accordance with transactions recorded and as evidenced through Crate's books and records, really those are assets of Crate Marine Sales Limited that should be included in the Sales Process. Direct P Crawley regarding accounts receivable identification and collections, as well as certain boat transactions that have come to my attention through B Spiegel or otherwise. Lengthy telephone call with B Spiegel regarding an update on all matters. H Chaiton regarding the Stalking Horse Bid and Asset Purchase Agreement, as well as the status of the Hearing with respect to the Marquis boat. P Crawley regarding the CRA audits of source deductions and HST to be held in January. Throughout the day, telephone calls and emails with the lawyers and B Spiegel and staff regarding accounts receivable, boats, the Proof of Claim Process, the adjacent properties review, the Sales Process, the Receiver's Certificate No. 2, assets in Crate Belleville, the Marquis boat dispute, possible retention of J Rotman to do a boat transaction audit, the advances made by Crate's Marina to Boston Pizza, as

well as to Crate Belleville and chasing down information on certain boats, including the Cruisers 382 and the 42-foot Fountain and the 23-foot Regal.

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| 01/02/2015 | Consulting fees - Corporate | Crawley |

On site in Keswick; met with various customers; discussed AR collection activities with W McPhee, S Neilly and K Murray; review several boat deals; investigate Fountain boat ownership on system and with staff; call with B Spiegel re: Fountain; report to S Mitchell.

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| 01/02/2015 | Consulting fees - Corporate | Hendriks |

Ongoing emails, calls and meetings with S Mitchell re receivership issues of property claim process and customer boat inventory, funding and ongoing utilities and premises costs, receivable collections to date, etc.

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| 01/02/2015 | Banking - Corporate | Samoilov |

Banking, posting.

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| 01/03/2015 | Consulting fees - Corporate | Mitchell |

Emails and phone calls with lawyers and staff to continue the receivership administration efforts, including: collection of accounts receivable; sorting out constructive trust ownership of certain real property; evaluating new and used boats and parts inventory; audit of boat transactions; Property Proof of Claim Notice mailings; ongoing work on the Sales Process Court Motion; and generally ensuring all reasonable efforts are being made to progress all matters at hand.

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| 01/04/2015 | Consulting fees - Corporate | Mitchell |

Emails and phone calls with lawyers and staff to continue the receivership administration efforts, including: collection of accounts receivable; sorting out constructive trust ownership of certain real property; evaluating new and used boats and parts inventory; audit of boat transactions; Property Proof of Claim Notice mailings; ongoing work on the Sales Process Court Motion; and generally ensuring all reasonable efforts are being made to progress all matters at hand.

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| | | | Total for Services | $ 197,347.50 |
| Expenses: | Travel – P Crawley | $ 751.40 | | |
| | Photocopies, faxes, etc. | 2,649.30 | | |
| | | | Total for Expenses | 3,400.70 |
| | | | Subtotal | 200,748.20 |
| | | | HST | 25,655.18 |
| | | | Current Amount Due | $ 226,403.38 |

HST#136800752RT0001

A. FARBER & PARTNERS INC.

CRATE MARINE SALES LIMITED - RECEIVERSHIP

SUMMARY OF TIME INCURRED
DECEMBER 8, 2014 TO JANUARY 4, 2015

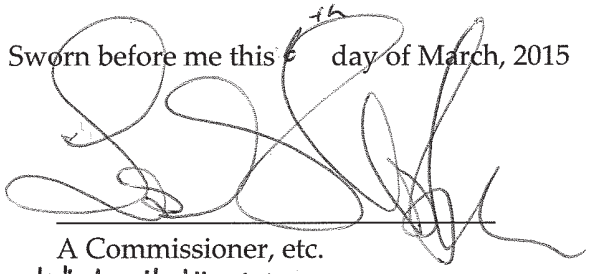
| Name | Total Hours | Rate Per Hour | Billing |
|---|---|---|---|
| S. Mitchell | 132.50 | $575.00 | $76,187.50 |
| J. Hendriks | 51.10 | $525.00 | $26,827.50 |
| A. Fisher | 35.05 | $480.00 | $16,824.00 |
| R. Stelzer | 37.30 | $425.00 | $15,852.50 |
| P. Crawley | 112.00 | $425.00 | $47,600.00 |
| N. Litwack | 9.30 | $425.00 | $3,952.50 |
| L. Samoilov | 13.70 | $165.00 | $2,260.50 |
| D. Falcione | 24.60 | $155.00 | $3,813.00 |
| G. Lowe | 23.70 | $155.00 | $3,673.50 |
| A. Chopowick | 2.30 | $155.00 | $356.50 |
| **Total** | **441.55** | | **$197,347.50** |

EXHIBIT "C"

This is Exhibit "C" to the Affidavit of

John Hendriks

Sworn before me this 6th day of March, 2015



A Commissioner, etc.

Leslie Anne Lloyd-Key, A Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: April 24, 2017.

Farber
FINANCIAL GROUP

150 York Street
Suite 1600
Toronto, ON M5H 3S5
Canada
Office 416.497.0150
Fax 416.496.3839
www.farberfinancial.com

February 23, 2015

Crate Marine Sales Limited
290 The Queensway S.
Keswick, ON L4P 4H3

*Invoice No. 11586*

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**TO PROFESSIONAL SERVICES RENDERED BY A. FARBER & PARTNERS INC. in its capacity as Court-Appointed Receiver for the period from January 5, 2015 to February 8, 2015**

| DATE | SERVICE | STAFF |
|---|---|---|
| 01/05/2015 | Consulting fees - Corporate<br>Review Lagoon City inventory map and identify owners who were not on customer list from office; mail Notice of Proof of Property process to those missing customers; send Proof of Property notice to Crate siblings. | Da Silva-Falcione |
| 01/05/2015 | Consulting fees - Corporate<br>Continued work on adjacent properties. Emails and discussions with Kris. Discussions with Tanya Pearce from Powell Jones. Meet with lawyer, Brendan Bissell. | Fisher |
| 01/05/2015 | Consulting fees - Corporate<br>Calls and emails re utilities and premises expenses, A/R collections, boat property proof process, etc.; call from GE re property claim on leased trailer with two payments left; Falcione, Rotsztain and Lowe re property proof packages to Quebec PPSA registrants and to GE Capital and BNS on two Ontario PPSA registrations that were for past loans repaid but not expunged from PPSA; calls from Moneris re chargebacks including for boat purchase transaction for company to follow up re potential property proof implications; emails from/to OSB re request for additional copies of materials filed in the IR proceedings including taxation materials and discharge order; call from Dallimore of Northern Yachts re potential for them to broker company-owned boats | Hendriks |
| 01/05/2015 | Consulting fees - Corporate<br>Review and responding to emails from customers regarding property proofs of claims and other matters; telephone calls with customers and others regarding property proofs of claim. | Lowe |

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| 01/05/2015 | Consulting fees - Corporate | Stelzer |

Correspondence with K Nicholson on 36 foot Doral deposit; review of B Brinks invoice.

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| 01/05/2015 | Consulting fees - Corporate | Crawley |

Attend at Keswick; met with J. Rotman and give instructions for boat sale transaction review; correspond with staff at Lagoon City re: snowplowing issue; instruct staff in AR collection efforts; review responses from customers; discuss property proof of claims process with numerous customers; review payroll and submit for processing.

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| 01/05/2015 | Consulting fees - Corporate | Mitchell |

Innumerable email correspondences with lawyers at Goldman Sloan Nash & Haber LLP and lawyers at Chaitons, as well as with Receiver staff at Keswick and at the York office dealing with ongoing issues including: work on the Stocking Horse Bid Asset Purchase Agreement; responding to the lawyers for Talisker, landlord of Lagoon City; preparing evidence from the books and records of the companies in support of a Motion planned in Court next week ex parte requesting Certificates of Pending Litigation on the properties adjacent to the Keswick marina site; directing regarding the filings of Property Proofs of Claim in accordance with our recent Court Order; advising re the responding Motion in respect of the Marquis boat; security and challenges at the Keswick marina site; correspondence with D Powell in respect with the Willow Beach site and some boats that he claims ownership of; updating B Spiegel and A Lyons on certain matters to do with Crawmet owned or financed boats and the general review on all boat transactions by Crate Marina in 2014; and numerous sundry related matters.

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| 01/05/2015 | Banking - Corporate | Samoilov |

Banking, posting.

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| 01/06/2015 | Consulting fees - Corporate | Da Silva-Falcione |

Update website; responding to customer inquiries; complete Quebec A/R mailing per P. Crawley instructions; process proof of property claims.

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| 01/06/2015 | Consulting fees - Corporate | Fisher |

Review insurance coverage on real estate. Misc discussions and correspondence regarding adjacent properties. Emails and discussions with lawyers regarding requests for records. Work on schedule of

funds paid on adjacent properties in fiscal 2014.

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| 01/06/2015 | Consulting fees - Corporate | Hendriks |

Fisher re boat owner issues with proof of property process; update to web blurb including notice to boat owners; Crawley re updates and plan going forward on various receivership matters and records review in Keswick; Crawley re additional customer boats that were in covered slips that were not previously on the company's customer-owned boat list; calls and emails from boat owners, lessors and S. Crate re proof of property process; review of insurance status with broker and emails Fisher and Bissell re real and personal property covered by policies including property of other persons/entities not under the receivership order; meeting Stelzer re procedures in Keswick, internet access, physical assets etc.; meeting Fisher re update on reconciliation of insured v. owned properties and re transactions with shareholders posted through the books of the company; email Crawley re cash deposit apparently received by G. Crate not in company bank/books; follow up with BMO and BNS re closing bank accounts and transferring funds to Receiver; follow up Nijsse re mortgagee on 262 Queensway per insurance records; Davis re Quebec and fees to date; Moneris and Crawley re chargebacks for boat deposit payments made by Mazr for a 44' Searay

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| 01/06/2015 | Consulting fees - Corporate | Lowe |

Review and responding to emails; telephone calls with various customers regarding property proofs of claim and other matters.

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| 01/06/2015 | Consulting fees - Corporate | Stelzer |

Correspondence with P Crawley on 34 foot Carver; E-mails.

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| 01/06/2015 | Consulting fees - Corporate | Crawley |

Attend at Keswick; met with S. Crate; attend to various ongoing matters, including considering release of brokerage listing agreements; accounts receivable collections; attending to customer queries about boats and accounts receivable payment requests.

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| 01/06/2015 | Consulting fees - Corporate | Mitchell |

Innumerable email correspondences with lawyers at Goldman Sloan Nash & Haber LLP and lawyers at Chaitons, as well as with Receiver staff at Keswick and at the York office dealing with ongoing issues including:

work on the Stocking Horse Bid Asset Purchase Agreement; responding to the lawyers for Talisker, landlord of Lagoon City; reviewing evidence from the books and records of the companies in support of a Motion planned in Court next week ex parte requesting Certificates of Pending Litigation on the properties adjacent to the Keswick marina site; directing regarding the filings of Property Proofs of Claim in accordance with our recent Court Order;; correspondence with D Powell in respect with the Willow Beach site and some boats that he claims ownership of; updating B Spiegel and A Lyons on certain matters to do with Crawmet owned or financed boats and the general review on all boat transactions by Crate Marina in 2014; and numerous sundry related matters.

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| 01/06/2015 | Banking - Corporate<br>Banking, posting. | Samoilov |
| 01/07/2015 | Consulting fees - Corporate<br>Update system with details of Receivership estate numbers; save Certificates from OR; mail notice of Proof of Property process per P. Crawley; respond to customer inquiries. | Da Silva-Falcione |
| 01/07/2015 | Consulting fees - Corporate<br>Discussions on adjacent properties. Review memos, reports and emails on adjacent properties and provide my comments. Discussions and emails regarding obtaining the records from lawyers, accountant and the Crate family members. | Fisher |
| 01/07/2015 | Consulting fees - Corporate<br>Emails Crate re proof of property package and work orders that were unbilled at December 8; review and comment on draft APA; discussions and numerous emails re adjacent properties, Quebec, related party transactions and Belleville house; calls from interested parties; Lowe re boat owner queries; follow up insurance coverage asset and property listing with broker; Crawley and Mitchell re billings, collections and allocations of proceeds between pre-appointment, post-appointment and projected post-sale; Fisher and Bissell re books and records at company and at third parties; Mitchell and Chaiton re outstanding funding request; call from customer re paying 2015 fees, service to date on motors and issue re work not yet completed | Hendriks |
| 01/07/2015 | Consulting fees - Corporate | Lowe |

Review and responding to emails regarding property proofs of claims and other matters;

01/07/2015 Consulting fees - Corporate Crawley
Attend at Keswick; attend to various ongoing matters including customer queries about the property proof of claim process; investigating occupants of adjacent properties; discussions with staff and directing tasks.

01/07/2015 Consulting fees - Corporate Chopowick
Telephone discussions with boat owners, interested liquidation firm, etc. regarding boats and proof of claim forms.

01/07/2015 Consulting fees - Corporate Mitchell
Numerous email correspondences with lawyers at Goldman Sloan Nash & Haber LLP and lawyers at Chaitons, as well as with Receiver staff at Keswick and at the York office dealing with ongoing issues including: work on the Stocking Horse Bid Asset Purchase Agreement; responding to the lawyers for Talisker, landlord of Lagoon City; directing regarding the filings of Property Proofs of Claim in accordance with our recent Court Order; updating B Spiegel and A Lyons on certain matters to do with Crawmet owned or financed boats and the general review on all boat transactions by Crate Marina in 2014; and numerous sundry related matters.

01/07/2015 Banking - Corporate Lloyd-Key
Bank reconciliation for December 2014.

01/08/2015 Consulting fees - Corporate Da Silva-Falcione
Respond to customer inquiries; process Proof of Property claims.

01/08/2015 Consulting fees - Corporate Fisher
Review emails and memos regarding the adjacent properties and provide comments to make sure the lawyers have identified all properties. Review emails and correspondence regarding getting access to records that may be in the possession of 3rd parties. Emails and discussions with Lynn Marko and Steven Crate regarding the return of the records.

01/08/2015 Consulting fees - Corporate Hendriks
Fisher and Bissell re 14 Highland; Falcione and Bissell re French proof of property package; discussion Bissell re Receiver activities as part of next Court report planned

for next week; boat owner issues with staff and customers; Crawley re customers cancelling sale broker agreements and wanting to sell boats at boat show notwithstanding boat ownership not yet established pursuant to Court-ordered Proof of Property process; emails and calls throughout the day re Other Properties, books and records with Crates' personally and counsel, boat owners and proof process, lessors, customer re A/R, WEPPA, Rogers bill forwarded from Dodick, funds from closed BNS account and details from Nicholson re Dec 8 deposit; interested parties; Town of Georgina re property taxes etc.

01/08/2015 Consulting fees - Corporate Lowe
Review and responding to email; telephone calls with customers regarding Property proofs of claim (x 39); discussion with P. Crawley regarding claim matters and receivables.

01/08/2015 Consulting fees - Corporate Crawley
Attend at Keswick; calls from customers to explain claims process; call from J. Devletian to discuss Quebec matters; update report to S. Mitchell; discuss customer enquiries with G. Lowe; arrange deposit of monies.

01/08/2015 Consulting fees - Corporate Chopowick
Respond to various queries from boat owners regarding property and property claim forms.

01/08/2015 Consulting fees - Corporate Mitchell
Innumerable email correspondences with lawyers at Goldman Sloan Nash & Haber LLP and lawyers at Chaitons, as well as with Receiver staff at Keswick and at the York office dealing with ongoing issues including: work on the Stocking Horse Bid Asset Purchase Agreement; responding to the lawyers for Talisker, landlord of Lagoon City; preparing evidence from the books and records of the companies in support of a Motion planned in Court next week ex parte requesting Certificates of Pending Litigation on the properties adjacent to the Keswick marina site; directing regarding the filings of Property Proofs of Claim in accordance with our recent Court Order; advising re the responding Motion in respect of the Marquis boat; security and challenges at the Keswick marina site; correspondence with D Powell in respect with the Willow Beach site and some boats that he claims ownership of; updating B Spiegel and A Lyons on certain matters to do with

Crawmet owned or financed boats and the general review on all boat transactions by Crate Marina in 2014; and numerous sundry related matters.

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| 01/08/2015 | Banking - Corporate<br>Banking, posting. | Samoilov |
| 01/09/2015 | Consulting fees - Corporate<br>Review of water lease from Fisheries and Oceanries Canada; review updated APA and comments to GSNH and follow up with Bissell and Fisher re various real estate matters of lands included, or that may be included, in the APA; letter from Markin re books and records; review motion material for Adjacent Properties; emails S. Crate re snowmobiles; Crawley re operation issues and payables; prepare and send Receiver R&D to date to Lyons as requested re support for Receiver Certificate #2; proof of property issues to confirm notices put in papers, Stelzer to oversee Lowe re tracking of claims received, Lowe re response to various boat owners with questions, back up for "Fountain" boat; Crawley and Mitchell re voicemail on Willow Beach phone re next season; Crawley re CRA and HST and Marko recordings related thereto; follow up emails re return of several of the company's books and records; interested parties; first draft of NDA for purchasers, including proposed stalking horse; | Hendriks |
| 01/09/2015 | Consulting fees - Corporate<br>Review and responding to email from various parties and customers regarding proof of property claims procedure, receivables and other matters. | Lowe |
| 01/09/2015 | Consulting fees - Corporate<br>Review emails regarding misc. issues. Detailed review and comments regarding my affidavit and legal materials regarding action against adjacent properties. | Fisher |
| 01/09/2015 | Consulting fees - Corporate<br>Attend at Keswick; discussions with security guards; met with Steve C to obtain returned corporate records and minute books, discuss his property proof of claim and discuss supporting documents for customer boats; request due diligence information from Kris N; | Crawley |
| 01/09/2015 | Consulting fees - Corporate<br>Respond to boat owner queries. | Chopowick |
| 01/09/2015 | Consulting fees - Corporate | Mitchell |

Innumerable email correspondences with lawyers at Goldman Sloan Nash & Haber LLP and lawyers at Chaitons, as well as with Receiver staff at Keswick and at the York office dealing with ongoing issues including: work on the Stocking Horse Bid Asset Purchase Agreement; responding to the lawyers for Talisker, landlord of Lagoon City; preparing evidence from the books and records of the companies in support of a Motion planned in Court next week ex parte requesting Certificates of Pending Litigation on the properties adjacent to the Keswick marina site; directing regarding the filings of Property Proofs of Claim in accordance with our recent Court Order; advising re the responding Motion in respect of the Marquis boat; security and challenges at the Keswick marina site; correspondence with D Powell in respect with the Willow Beach site and some boats that he claims ownership of; updating B Spiegel and A Lyons on certain matters to do with Crawmet owned or financed boats and the general review on all boat transactions by Crate Marina in 2014; and numerous sundry related matters.

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| 01/09/2015 | Banking - Corporate<br>Banking, posting. | Samoilov |
| 01/10/2015 | Consulting fees - Corporate | Mitchell |

Innumerable email correspondences with lawyers at Goldman Sloan Nash & Haber LLP and lawyers at Chaitons, as well as with Receiver staff at Keswick and at the York office dealing with ongoing issues including: work on the Stocking Horse Bid Asset Purchase Agreement; responding to the lawyers for Talisker, landlord of Lagoon City; preparing evidence from the books and records of the companies in support of a Motion planned in Court next week ex parte requesting Certificates of Pending Litigation on the properties adjacent to the Keswick marina site; directing regarding the filings of Property Proofs of Claim in accordance with our recent Court Order; advising re the responding Motion in respect of the Marquis boat; security and challenges at the Keswick marina site; correspondence with D Powell in respect with the Willow Beach site and some boats that he claims ownership of; updating B Spiegel and A Lyons on certain matters to do with Crawmet owned or financed boats and the general review on all boat transactions by Crate Marina in 2014; and numerous sundry related matters.

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| 01/11/2015 | Consulting fees - Corporate | Hendriks |

Finalize NDA and to Spiegel for signature; conference call counsel re business terms of APA; emails re Lagoon City lease

01/11/2015 Consulting fees - Corporate Mitchell

Innumerable email correspondences with lawyers at Goldman Sloan Nash & Haber LLP and lawyers at Chaitons, as well as with Receiver staff at Keswick and at the York office dealing with ongoing issues including: work on the Stocking Horse Bid Asset Purchase Agreement; responding to the lawyers for Talisker, landlord of Lagoon City; preparing evidence from the books and records of the companies in support of a Motion planned in Court next week ex parte requesting Certificates of Pending Litigation on the properties adjacent to the Keswick marina site; directing regarding the filings of Property Proofs of Claim in accordance with our recent Court Order; advising re the responding Motion in respect of the Marquis boat; security and challenges at the Keswick marina site; correspondence with D Powell in respect with the Willow Beach site and some boats that he claims ownership of; updating B Spiegel and A Lyons on certain matters to do with Crawmet owned or financed boats and the general review on all boat transactions by Crate Marina in 2014; and numerous sundry related matters.

01/12/2015 Consulting fees - Corporate Fisher

Discussions with the company accountant, Greg Ferguson. Review, and comment on materials supporting application on adjacent properties. Review, update, change and sign Affidavit in support of application on adjacent properties.

01/12/2015 Consulting fees - Corporate Stelzer

E-mails regarding on site tomorrow, Pride Marine, property claims, etc.; preparation for visit tomorrow; discussion with S Mitchell and coordinated with P Crawley.

01/12/2015 Consulting fees - Corporate Crawley

Attend at Keswick; discussions and instruction to J. Rotman re: boat sale transaction review and determination of where inventory went from Oct 5 to Dec 8; return numerous calls to customers enquiring about the property proof of claim process and accounts receivable collections; review due diligence information prepared by Kris N.; discussions with security staff; instruct Kim M. in AR collection and

follow-up.

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| 01/12/2015 | Consulting fees - Corporate | Lloyd-Key |

Entering Proof of Claim forms onto an excel spread sheet.

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| 01/12/2015 | Consulting fees - Corporate | Hendriks |

Discussions Bissell re materials for CPL ex parte motion; updates with Mitchell re Lagoon City; confidentiality agreement from Star Port; Lowe to follow up boat owners enquiring about Pride at the boat show and interested parties; Keswick updates with Crawley; Lowe re proof of property claims received to date; follow up funding from Pan and issue Receiver Certificate #2

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| 01/12/2015 | Consulting fees - Corporate | Chopowick |

Telephone calls and follow up for assistance re claimant requesting assistance in French to complete claim form; responding to various emails; assist with completion of Property Claim forms.

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| 01/12/2015 | Consulting fees - Corporate | Mitchell |

Work with B Bissell and A Fisher to prepare the Affidavit in the support of the Motion applying for an Order for the granting of Certificates of Pending Litigation to be registered by the Receiver on title to certain properties adjacent to Keswick marina; M Rotsztain phone call and emails regarding the Asset Purchase Agreement being drafted and the related Motion for the sales process as well as correspondence with R Rothbart, lawyer for Talisker, landlord of Lagoon City Marina; phone and emails with P Crawley regarding Lagoon City and arranging for N Litwack to attend with the landlord's reps to inventory the tangible property on the site, as well as correspondence with M Scully, M Rotsztain and R Rothbart all in connection with claims, allegations and inappropriate positioning by the landlord with the respect to the Lagoon City lease, property on site and third party customer boats stored there; B Bissell and A Fisher correspondence and discussions: working on the affidavit in support of the Motion for the CPL'S this week; R Stelzer regarding the Property Proof of Claim process and the boat inventory updating; H Chaiton phone call regarding the responding material being filed in connection the Marquis Hearing scheduled for February 12, 2014; work with B Bissell and A Fisher to prepare for the ex parte Hearing.

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| 01/12/2015 | Consulting fees - Corporate | Lowe |

Review and responding to email from boat owners. Telephone calls to and from boat owners regarding property proofs of claim.

01/12/2015 Banking - Corporate Samoilov
Banking, posting.

01/13/2015 Consulting fees - Corporate Stelzer
Meeting with B Spiegel and representatives of SkipperBuds and review of NDA and provided documents; call with J Hendriks; E-mails with P Crawley; discussion with W MacPhie; discussion with security guard regarding activity on premises; discussions with customers throughout day; locked up.

01/13/2015 Consulting fees - Corporate Crawley
Call with B. Slade of Regal Boats; rearrange CRA trust exam per Kris N; return numerous customer calls; research motorhome and discuss with Steve at Prossers; obtain and review outstanding invoice; research value of Pace Arrow; review accounting information to be given to B. Spiegel and prospect.

01/13/2015 Consulting fees - Corporate Hendriks
Meetings Mitchell and Lowe and calls and emails Crawley, Bissell and Stelzer re daily site update, property proofs received to date, Lagoon City dockominium claims being received, materials for Court tomorrow, etc.; Stelzer re CA for Skipper Marine

01/13/2015 Consulting fees - Corporate Blunda
creditor's queries

01/13/2015 Consulting fees - Corporate Chopowick
Respond to numerous boat owner/property owner calls and queries and provide assistance in understanding the Property Claim form.

01/13/2015 Consulting fees - Corporate Mitchell
Finalize the adjacent properties Application and commission the Affidavit of A Fisher, then phone with B Bissell to organize finalizing of the Motion Record; telephone with B Spiegel regarding revenue and expense information he requested for information to be shared with prospective marina operators, subject to a Non Disclosure Agreement; direct staff at Keswick after review of the revenue and expense analysis prepared by the Controller, Kris, and to seek clarification and amendments; review and comment on Chaitons latest

asset purchase agreement for the Stocking Horse Bid; read Chaitons and Crawmet's responding Motion Record filed in respect of the Marquis boat; read the Goldman Sloan Nash & Haber draft of the Crawmet General Security Agreements options as well as that law firm's draft of the various realty charges opinions; travel to 4:00 pm meeting at Crawmet's office until 6:30 pm to meet with B Spiegel, A Lyons and S Spiegel, as well as H Chaiton (attending via telephone).

01/13/2015 Consulting fees - Corporate Lowe
Review and responding to emails regarding property proof of claims. Telephone calls to and from boat owners regarding property proof of claims.

01/14/2015 Consulting fees - Corporate Fisher
Review documents in preparation for attendance at court for the ex parte application for CPL on adjacent properties. Discussions on strategies and Stocking Horse Bid process with Stuart and Brendan Bissell after attendance at court. Review emails, information from the accountant and our information regarding funds due from the Crate family members in support of a possible petition for assignment into bankruptcy against the family members.

01/14/2015 Consulting fees - Corporate Stelzer
Updates to inventory list and sent to B Spiegel; emails with S Mitchell; correspondence from customers; emails.

01/14/2015 Consulting fees - Corporate Crawley
Attend at Keswick; discussions with customers about ppoc process and paying AR; discussion with S. Mitchell; review inventory listing of Crate owned boats and check to showroom schedule; provide info requested by B. Spiegel; attend to various ongoing tasks.

01/14/2015 Consulting fees - Corporate Hendriks
Emails and calls throughout the day re CPL hearing and registrations of same; interested parties; proof of property issues raised by boat owners; follow up Lagoon City dockominiums with Crawley and Nicholson; Lowe and Chopowick re WEPP filings by next week's deadline

01/14/2015 Consulting fees - Corporate Chopowick
Document preparation; discussions with J Hendriks re WEPP and telephone call to Service Canada WEPP re data entry; email to P Crawley.

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| 01/14/2015 | Consulting fees - Corporate | Mitchell |

From 9:00 am until noon, attended Court and obtain the Certificates of Pending Litigation Order from Justice Newbould; discussed issues including the adjacent lands in the Stocking Horse Bid with B Bissell, M Rotsztain and A Fisher and then again with H Chaiton and B Bissell in order to direct a discussion on how best to proceed on including these assets in the Purchase Agreement; discussion with R Stelzer and B Spiegel regarding the boat inventory of Crate as well as Crawmet; discussion with P Crawley and B Spiegel regarding the show room boat map; phone call with P Crawley regarding the slip revenue at Keswick schedule that he had provided to B Spiegel; work with A Fisher on review of Crate Marina general ledger including the four residential houses resided in by the Crate family members, Boston Pizza investment situation and Crate Bellville account receivable, and some other boat matters. Correspondence with A Fisher compiling possible evidence of fraudulent or at least under valued transactions carried out by the three directors at Crate Marine Sales.

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| 01/14/2015 | Consulting fees - Corporate | MacArthur |

Input Property Claims into database.

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| 01/14/2015 | Consulting fees - Corporate | Litwack |

Various correspondence with boat owner re property claim and insurance issue; discussions with team re Lagoon City property tax and insurance issues.

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| 01/14/2015 | Consulting fees - Corporate | Lowe |

Review and responding to multiple emails. Telephone calls from customers regarding property proof of claims and various matters.

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| 01/15/2015 | Consulting fees - Corporate | Stelzer |

Review of WEPP calculations prepared by P Crawley and correspondence on the same; review of motion record.

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| 01/15/2015 | Consulting fees - Corporate | Crawley |

Attend at Keswick; complete WEPPA calculations; request assistance from Jerry D. for Quebec employee WEPP calculations; met with B. Spiegel and others to discuss Keswick operations; review accounting for various boat deals; coordinate limited building access for security guards.

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| 01/15/2015 | Consulting fees - Corporate | Hendriks |
| | Ongoing receivership issues; calls and emails from boat owners; follow up with Stelzer re proof of property claim processing of claims received to date; call from Moneris re continuing chargebacks on the credit cards; preliminary review of the legal opinions on Crawmet and Marquis security; Mitchell and Lowe re CPL motion material and order for web site update; emails and discussions re other properties | |
| 01/15/2015 | Consulting fees - Corporate | Blunda |
| | respond to creditor's query | |
| 01/15/2015 | Consulting fees - Corporate | Mitchell |
| | Telephone call with D Powell regarding his position on the Willow Beach marina and several boats at issue; direct staff regarding posting the Motion in respect of the Certificates of Pending Litigation on our Receiver website; email exchange with D Rogers to respond to queries in connection with Property Proof of Claims; Telephone call from S Crate regarding his ski-doos that he claims title to and which are stored at Lagoon City; review and edit the draft Stocking Horse Bid and provide comments to M Rotsztain and S Levine of Chaitons; communication with B Spiegel regarding values of the adjacent real estate lands and his discussion with a local realtor; generally supervise all staff and lawyers on all matters under administration. | |
| 01/15/2015 | Consulting fees - Corporate | Litwack |
| | Reviewed email correspondence re meeting with landlord at Lagoon City marina; correspondence with legal counsel re same. | |
| 01/15/2015 | Consulting fees - Corporate | Lowe |
| | Review and responding to emails from customers regarding property proofs of claims and other matters. Telephone calls with customers regarding property proofs of claims and related matters. | |
| 01/15/2015 | Banking - Corporate | Samoilov |
| | Banking, posting. | |
| 01/16/2015 | Consulting fees - Corporate | Crawley |
| | Attend at Keswick; investigate Lagoon City email; review account receivable collection update from W. McPhie; discuss various boat deals with J. Rotman; visit Willow Beach location; met with various customers | |

onsite to answer questions about the property proof of claim process; review information provided by Kris N. and forward to B. Spiegel; arrange replenishment of heating fuel at Keswick and Lagoon City locations; review response from Regal Boats.

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| 01/16/2015 | Consulting fees - Corporate | Hendriks |

Lowe and Stelzer re proof of property claims; Stelzer, Crawley and emails from boat owners; Goldman Sloan and Mitchell re APA, Lagoon City, Pride, CPL litigation, books and records, etc.; call from Moneris; call from/to Prophet re Romith and claim of D. M. Rogers; Lowe, Chopowick and Crawley re termination, severance and WEPP;

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| 01/16/2015 | Consulting fees - Corporate | Blunda |

Discussion with R. Stelzer re availability for recording claims/attendance at meeting

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| 01/16/2015 | Consulting fees - Corporate | Chopowick |

Respond to creditor and boat owner queries.

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| 01/16/2015 | Consulting fees - Corporate | Mitchell |

Conference call with B Bissell, M Rotsztain and H Chaiton regarding ongoing amendments and revisions to the Stocking Horse Bid; subsequently reviewed revised Asset Purchase Agreement provided by S Levine at Chaitons; correspondence with M Scully at Talisker, R. Rothbart, the lawyer for Talisker, M Rotsztain at Goldman Sloan, P Crawley, J Hendriks and N Litwack regarding Lagoon City issues including: dockominiums; slip customers; personal property on site; announcement by Pride Marina Group; security and heat; sundry other matters; work with staff and lawyers attempting to reconcile the tax realty bills to the Certificates of Pending Litigation; discussion with M Rotsztain about the legal options on the real estate charges; telephone call with D Powell regarding the Willow Beach marina. Throughout the day, manage and direct all staff and lawyers on various matters under administration.

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| 01/16/2015 | Consulting fees - Corporate | Litwack |

Various correspondence with Lagoon City marina landlord re meeting next week; discussions with team re same.

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| 01/16/2015 | Consulting fees - Corporate | Lowe |

Review and responding to various emails. Telephone

calls with customers. Meet with customers. Update website.

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| 01/16/2015 | Banking - Corporate<br>CIBC GTA - banking, posting. | Samoilov |
| 01/16/2015 | Banking - Corporate<br>Bank reconciliation for December 2014. F.S. Crate & Sons Limited. | Lloyd-Key |
| 01/17/2015 | Consulting fees - Corporate<br>Throughout the day, emails and telephone conversations with B Spiegel, H Chaiton, M Rotsztain and staff on all the various issues under the Receiver's administration and which are being worked on over the weekend. | Mitchell |
| 01/18/2015 | Consulting fees - Corporate<br>Throughout the day, emails and telephone conversations with B Spiegel, H. Chaiton, M Rotsztain and staff on all the various issues under the Receiver's administration and which are being worked on over the weekend. | Mitchell |
| 01/18/2015 | Consulting fees - Corporate<br>Consolidate AR collection update for Keswick into tracking workbook; review collection notes from K. Murray; calculate anticipated immediate receipts. | Crawley |
| 01/19/2015 | Consulting fees - Corporate<br>Attend at premises in Keswick. Most of time was spent dealing with break ins on 9 boats. Also dealt with misc. customer questions and calls. Assist creditors and others with claims and property claims process. | Fisher |
| 01/19/2015 | Consulting fees - Corporate<br>Respond to various calls from boat owners. | Chopowick |
| 01/19/2015 | Consulting fees - Corporate<br>Operational issues with Crawley and Mitchell; APA call and follow up with GSNH and Mitchell; call from insurer re Tupper sunken boat claim; boat owner queries; call from Bankruptcy Highway re account number for RBC, follow up with Nicholson and identify additional apparently undischarged liens on brokered boats that may impact receivership proof of property process | Hendriks |
| 01/19/2015 | Consulting fees - Corporate<br>Review of proof of claim list with G Lowe; discussion of | Stelzer |

WEPP with P Crawley; E-mails.

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| 01/19/2015 | Consulting fees - Corporate<br>Entered Proof of Claim forms to the tracking excel sheet. | Lloyd-Key |
| 01/19/2015 | Consulting fees - Corporate<br>Review S Levine's revised Stocking Horse Bid Asset Purchase Agreement; prepare and attend 10:00 am conference call regarding that Asset Purchase Agreement with M Rotsztain, H Chaiton, S Levine and J Hendriks; email correspondence with R Drake at GSNH regarding responses to demand letters sent to the various Crate lawyers including I Morris, Direnfeld and M Weinczok; phone call and emails with M Rotsztain regarding continuing changes to the Asset Purchase Agreement proposed by Crawmet and D Powell which will now substitute the Causes of Action with the transfer of legal title to the adjacent lands; meet N Litwack to advise regarding the personal property inventory listing to be made with him and representatives of Talisker at Lagoon City later this week; work with staff on security issues at Keswick regarding ski-dooers at night entering the marina property. | Mitchell |
| 01/19/2015 | Consulting fees - Corporate<br>Entered Property Claims into database. | MacArthur |
| 01/19/2015 | Consulting fees - Corporate<br>Finalize calculations for WEPP filing, proof of claims and employee letters; call from interested party with questions about financials; various ppoc queries from customers; discuss break-ins and security issues with staff. | Crawley |
| 01/19/2015 | Consulting fees - Corporate<br>Review and responding to email. Telephone calls with customers. Meeting with customers. | Lowe |
| 01/19/2015 | Banking - Corporate<br>Banking, posting. | Samoilov |
| 01/20/2015 | Consulting fees - Corporate<br>Respond to creditor query re Proof of Claim; WEPP set up and data entry; coordinate staff to assist in data entry. | Chopowick |
| 01/20/2015 | Consulting fees - Corporate<br>Emails re potential customer list on Stephenie Crate's | Hendriks |

computer for notices to owners of proof of property process; Mitchell re CRA claims and audits; Stelzer and Lowe re proof of property tracking and claims filed to date

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| 01/20/2015 | Consulting fees - Corporate<br>Review of property claim schedule; call with Mark at Paisley Insurance; E-mails. | Stelzer |
| 01/20/2015 | Consulting fees - Corporate<br>Entered WEPP. | Lloyd-Key |
| 01/20/2015 | Consulting fees - Corporate<br>Deal with S Crate issues in respect of the ski-doos whereby he is insisting on possession and he has attended Keswick demanding the keys and other annoying comments; M Rotsztain has provided the GSNH further amendments to the Asset Purchase Agreement on a black line basis which I reviewed in detail and provided and made comments on; B Bissell draft reply to Rothbart in respect of the Lagoon City location and the position of the Receiver in respect of the lease, personal property on the site, obligations and duties to insure the property of Crate Marine as well as third party customers on the site and other pressing issues; discussion with H Chaiton regarding change of approach on the Asset Agreement by the stocking horse bidder particularly in respect of the handling of the adjacent lands and the Certificates of Pending Litigation thereon; received from D Powell and reviewed the financial statements of 2192422 Ontario Inc., half the shares of which are owned by 1382416 Ontario Limited which we are the Receiver and Trustee in Bankruptcy of, make detailed notes and prepare for discussion of same with D Powell; throughout the afternoon, direct P Crawley at Keswick on matters being investigated, discuss with A Fisher the results his review yesterday of the general ledger in connection with the Boston Pizza matter and the Crate siblings' personal residences and the Crate Bellville accounts receivable; reach out to R Stelzer regarding the status of the boat inventory and the Property Proof of Claim process and generally supervise all matters and staff on the various initiatives under way. | Mitchell |
| 01/20/2015 | Consulting fees - Corporate<br>Entered property claims into database. | MacArthur |
| 01/20/2015 | Consulting fees - Corporate | Crawley |

Attend at Keswick; discussions with boat owners affected by break ins; visit Willow Beach and request additional locks to yards; ppoc enquiries; engagement management.

01/20/2015 Consulting fees - Corporate Lowe
Review and responding to email from customers regarding property proof of claim and other matters. Telephone calls with customers regarding property proofs of claim and other matters.

01/20/2015 Consulting fees - Corporate Litwack
Reviewed security issues at Willow Beach marina with P Crawley.

01/20/2015 Banking - Corporate Samoilov
Banking, posting.

01/21/2015 Consulting fees - Corporate Chopowick
Respond to various creditor calls and queries regarding property and claim forms.

01/21/2015 Consulting fees - Corporate Stelzer
Review of inventory list and property claim list; call with P Crawley to discuss updates to inventory list in order to allow matching to proof of claims; E-mails.

01/21/2015 Consulting fees - Corporate MacArthur
Entered property claims into database.

01/21/2015 Consulting fees - Corporate Crawley
Attend at Keswick; discussions with CRA trust examiner concluding HST examination; direct staff on various tasks; review various boat transactions; attend to ppoc enquiries from customers; continue to finalize WEPP calculations; various other matters.

01/21/2015 Consulting fees - Corporate Lowe
Review and responding to emails regarding property proof of claim. Telephone calls with customers regarding property proofs of claim.

01/21/2015 Consulting fees - Corporate Mitchell
Review and comment on S Levine's revised Asset Purchase Agreement. Direct staff to prepare information for the data room necessary for the sales process. Correspondence regarding the missing Crates files. Phone conference with M Rotsztain regarding the Stalking Horse Bid changes, the shares in 219, and the

correspondence with P May, lawyer for 219 in respect of the shares in 219 held by 138. Discussion with B Bissell regarding letter to R Rothbart, lawyer for Lagoon City; as well as letter to and from the various lawyers acting for Crates family members. Review CRA audit in respect of the source deductions trust claim and review the examiners statement of account. Correspondence with B Bissell regarding the letter to the neighbor of Greg Crate in Keswick who allegedly has the records of Crates in his garage. Correspondence with B Bissell regarding the letter to J Markin, lawyer for the Crates family members, regarding trespassing of S Crate at the Keswick location. Generally supervise all staff and lawyers regarding all matters under administration.

01/22/2015 Consulting fees - Corporate Chopowick
Review WEPP data with P Crawley and WEPP finalize correspondence and claim forms for employees; review of documentation and coordinate mailing; telephone call from boat owner regarding A/R letter received and property claim.

01/22/2015 Consulting fees - Corporate Fisher
Collate, review and organize files and documents relating to money owed from related parties in preparation for meeting with lawyers. Attend meeting at GSNH to discuss actions against related parties and Asset Purchase Agreement for Stocking Horse bid. Discussions with Peter C. and provide directions regarding investigations on actions against related parties.

01/22/2015 Consulting fees - Corporate Hendriks
Call with Baldor of CRA re deemed trust portion of source audit and re their planning for an HST audit; meeting at GSHN with Mitchell and Fisher re APA, adjacent properties, other properties, boats that may not be claimed from proof of property process etc.; call from witness of boxes being moved to G. Crate's friend's garage in early December and follow up with Mitchell, Crawley and Bissell; Lyons re insurance policies; Bissell and Mitchell re insurance policies and potential recoveries under D&O and/or fidelity policies

01/22/2015 Consulting fees - Corporate Stelzer
Discussion with A Fisher and review of boats list; discussion with J Hendriks and then call to G Staples and E-mail to P Crawley on updating boats list.

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| 01/22/2015 | Consulting fees - Corporate | Crawley |

Attend at Keswick; discuss WEPP letter and figures with A. Chopowick; customer ppoc enquiries; various other matters.

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| 01/22/2015 | Consulting fees - Corporate | Lowe |

Review and responding to emails regarding property proof of claim and other matters. Telephone calls regarding property proofs of claims and related matters.

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| 01/22/2015 | Consulting fees - Corporate | Litwack |

Correspondence with W MacPhee re attendance at Lagoon City marina tomorrow; discussions with team re attendance with Talisker, inventory and claims process.

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| 01/22/2015 | Consulting fees - Corporate | Mitchell |

From 11:30 am until 4:00 pm attended offices of Goldman Sloan Nash & Haber LLP for a meeting with M Rotsztain, B Bissell, Rossanese, R Drake, S. Sopic, J Hendriks and A Fisher regarding the Asset Purchase Agreement, claims against the three shareholders, documents in the garage of a neighbor of G Crate, the Boston Pizza matter, Crates Belleville account receivable and the various residential properties. Email correspondence with S Levine with Chaitons regarding the revised Asset Purchase Agreement and issues regarding claims against the Crate siblings as well as the interest in Boston Pizza and Crate Belleville Marina. Correspondence with J Markin, lawyer for the Crate family members, disputing the Certificates of Pending Litigation registered on the adjacent properties. Discussion with R Drake and get a letter out to S Crate to no longer trespass at the Keswick location. Read the Supplementary Motion Record filed by BLG on behalf of Marquis Boats in respect of the Marquis yacht in our possession.

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| 01/23/2015 | Consulting fees - Corporate | Fisher |

Review emails and documents on actions against related parties. Draft initial plan for getting focused on information needed for report to court on bid process.

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| 01/23/2015 | Consulting fees - Corporate | Hendriks |

Crawley re books and records in garage; boat owner queries; operational and A/R updates with Crawley and Mitchell; Rossanese re Georgina property tax certificates and re apparent missing certificate for 7 Mac; Devlentian re Quebec sales office and storage landlords queries;

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| 01/23/2015 | Consulting fees - Corporate | Stelzer |

Discussion with S Mitchell regarding boat list; E-mail to P Crawley regarding information needed to complete boat list; E-mails.

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| 01/23/2015 | Consulting fees - Corporate | MacArthur |

Entered property claims into database.

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| 01/23/2015 | Consulting fees - Corporate | Crawley |

Attend at Keswick; conference call with counsel to discuss information needs; instruct staff; begin matching customer details per slip rental register to Keswick boat map; attend at home of G. Scott to request return of property, and report thereon.

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| 01/23/2015 | Consulting fees - Corporate | Lowe |

Review and responding to emails. Multiple telephone calls regarding property proofs of claims and other matters.

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| 01/23/2015 | Consulting fees - Corporate | Litwack |

Attended at Lagoon City marina with Talisker representatives; toured premises; prepared inventory of all inventory and equipment; photographed inventory and equipment; travel time.

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| 01/23/2015 | Consulting fees - Corporate | Mitchell |

Emails and phone calls to P Crawley regarding attending at the garage of the home of the neighbor of G Crate with respect to the books and records allegedly secreted there; investigations into the funds owed to Crate Marine in respect to the Boston Pizza matter and the Crate Belleville Marina matter; review of the cash advances in respect of the personal residences of the Crate family members; accounts receivable collections and the spread sheet roll forward; the parts inventory as well as the office and shop inventory lists being compiled. M Rotsztain phone discussion regarding the Labanovitch boat claims. H Chaiton, S Levine and M Rotsztain telephone conference regarding further changes to the Asset Purchase Agreement on behalf of the Stalking Horse bidder and revisions needed thereto. R Stelzer conference regarding the boat inventory list for the Asset Purchase Agreement and the customer boat list Property Proof of Claim process. R Drake correspondence regarding letters to the three lawyers' law firms involved in the Boston Pizza transactions. Two hour conference call with H Chaiton, S Levine, M

Rotsztain, A Rossanese to review the Asset Purchase Agreement further changes. H Chaiton phone call to advise of B Spiegel's instructions then phone call and email with M Rotsztain to inform him how to amend the Asset Purchase Agreement and to redraft as soon as possible for finalization over the weekend.

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| 01/23/2015 | Banking - Corporate<br>Banking, posting. | Samoilov |
| 01/24/2015 | Consulting fees - Corporate<br>Throughout the day various phone calls and emails with H Chaiton, M Rotsztain and J Hendriks regarding revisions to the Asset Purchase Agreement, further direction regarding the offer by the Stalking Horse bidder, asset evaluation comparisons to the proposed purchase price of the Stalking Horse bidder, and various other matters related thereto. B Bissell discussion regarding possible Motion Record to be served in respect G Crate regarding the missing assets and documents and possible secretion in his neighbors garage. R Drake correspondence regarding demands on the various Crate law firms and lawyers who have acted over the past while on a variety different Crate related transactions. Correspondence with J Hendriks and R Drake regarding the Receiver's report in support of the Order sought for Court approval of the sales processes and Stalking Horse bid. | Mitchell |
| 01/25/2015 | Consulting fees - Corporate<br>Draft Receiver's activates section to be included in next report to Court and circulate to staff and counsel for comments | Hendriks |
| 01/25/2015 | Consulting fees - Corporate<br>Prepare update for S. Mitchell along with analysis of AR collection activities to date. | Crawley |
| 01/25/2015 | Consulting fees - Corporate<br>Throughout the day various phone calls and emails with H Chaiton, M Rotsztain and J Hendriks regarding revisions to the Asset Purchase Agreement, further direction regarding the offer by the Stalking Horse bidder, asset evaluation comparisons to the proposed purchase price of the Stalking Horse bidder, and various other matters related thereto. B Bissell discussion regarding possible Motion Record to be served in respect G Crate regarding the missing assets and documents and possible secretion in his neighbors garage. R Drake | Mitchell |

correspondence regarding demands on the various Crate law firms and lawyers who have acted over the past while on a variety different Crate related transactions. Correspondence with J Hendriks and R Drake regarding the Receiver's report in support of the Order sought for Court approval of the sales processes and Stalking Horse bid.

01/26/2015 Consulting fees - Corporate Stelzer
E-mails; review of inventory list with S Mitchell; sent inventory list to H Chaiton; E-mail to B Brinks; E-mail to P Wilson.

01/26/2015 Consulting fees - Corporate Crawley
Attend at Keswick; ppoc issues; discussions with security guards; boat transaction reviews; searching for documentation to support loans; various other.

01/26/2015 Consulting fees - Corporate Litwack
Prepared inventory listings for circulation; various discussions with legal counsel and team re inventory listings and property at Lagoon City marina.

01/26/2015 Consulting fees - Corporate Mitchell
Discussion with B Bissell regarding a possible Court application to demand explanations, examinations and production regarding missing inventory and missing documents allegedly removed by G Crate. Correspondence with R Drake regarding responses outstanding from lawyers upon whom we have served demands seeking explanations and documents. One hour telephone conversation with H Chaiton and M Rotsztain conferring regarding further necessary changes to the Asset Purchase Agreement to be submitted by the Stalking Horse bidder. Work with J Hendriks and R Drake regarding the Receiver's report being drafted in support of the Motion for Court approval of the Sales Process, Stalking Horse bid and the Receiver's activity. Discussion and correspondence with P Crawley regarding the accounts receivable analyses roll forward from the date of appointment of the Receiver as well as the 2014 boat transaction review as well as discussions regarding the preparation of a map designating the location of the third party customer boats as well as correspondence regarding the Regal boat company amount owing to Crates Marine and finally a weekend update regarding the on-site security measures and experience. R Stelzer discussion regarding the inventory and revising the schedule thereof for purposes

of using in support of the Asset Purchase Agreement as well as an update regarding the Property Proof of Claim process and the claims that of been filed to date. Phone call from S Crate regarding the D Bedard versus Crawmet Cruisers boat dispute. Work with J Hendriks throughout the day regarding an analysis comparing the Stalking Horse purchase price credit bid versus the valuation of the assets being purchased. Work with J Hendriks regarding the sales process time line. Discussions and emails correspondence with N Litwack and B Bissell regarding Lagoon City including the inventory list of parts and office as well as shop assets and the status of the correspondence between M Rotsztain and R Rothbart, lawyer for the landlord. Telephone conference call with B Spiegel and A Lyons regarding the status of all matters under administration. Conversation and email correspondence with S Levine of Chaitons regarding the proof of the Powell Credit Claim as well as that of Crawmet. A Fisher discussion regarding the analysis of the funds owing in respect of both the Boston Pizza matter as well as the four personal residences and the related analysis. S Sopic correspondence regarding the draft Receivership report and Order in respect of the G Crate examination and demand to produce the records and other assets allegedly removed by him from the Crate premises. Late into the evening on going email and telephone correspondence with the lawyers at Chaitons and the lawyers at Goldman Sloan Nash & Haber as well as the Receiver staff continuing to work on all matters under administration.

01/26/2015 Consulting fees - Corporate Chopowick
Respond to calls from boat owners re Property claim form

01/26/2015 Consulting fees - Corporate Hendriks
Updates with Mitchell re APA changes over the weekend; valuation schedule and sale timeline updates needed for Receiver's Fourth Report; comments and updates to Receiver's Activities section of Fourth Report;

01/26/2015 Banking - Corporate Samoilov
Banking, posting.

01/27/2015 Consulting fees - Corporate Fisher
Review misc. emails regarding adjacent properties, Boston Pizza, properties owned by related parties and

personal properties owned by the Crates family. Discussion and planning for further investigations into these potential receivables. Provide information on properties owned by the Crates family.

01/27/2015 Consulting fees - Corporate MacArthur
Entered property claims into database.

01/27/2015 Consulting fees - Corporate Stelzer
CRA Provided inventory detail to J Hendriks for report; Crawmet motion; call with P Wilson, review of inventory analysis and payment; review of inventory figures from J Rotman; discussion with B Brinks; correspondence with P Crawley; review of BLG proof of claim and response to S Mitchell; review of Lagoon inventory list.

01/27/2015 Consulting fees - Corporate Crawley
Attend at Keswick; respond to various customer enquiries on the ppoc and AR collections; speak with K. Ho and send payment request; discuss deemed trust claim with M. Bobar of CRA and respond with clarifying information; review D. Powell loan documents and accounting re same; instruct staff in preparation of asset listings; discuss sale of Crawmet boats with J. Rotman; review inventory stock numbers with G .Staples and correct listings; continue working on customer boat listing for ppoc process.

01/27/2015 Consulting fees - Corporate Lowe
Review and responding to emails regarding property proofs of claims and other issues. Multiple telephone calls with customers. Telephone calls with Rogers. Fax to Rogers regarding internet services. Updating website.

01/27/2015 Consulting fees - Corporate Litwack
Review of inventory listing and correspondence with legal counsel re same.

01/27/2015 Consulting fees - Corporate Hendriks
Calls and emails re proof of property claims to date and customer queries; Crawley re funding for operations; Bissell, Fisher et al re CPL's filed to date and potential additional filing in Belleville; follow up re parts and equipment listings that will be needed for offer valuation; Crawley and Bissell re documents/assets allegedly moved by G. Crate to friends garage and Crate's explanation; calls and emails interested parties; seek additional information for offer valuation; forward copy of

draft valuation to GSNH and call to discuss overview of offer valuation and valuation of credit bid; review CMSL lease of lift in Belleville and consider impact on assets under the APA; Sopic re service address for BNS; call from/to Mills of Miller Thomson re boats being claimed as secured by the Belleville landlord and whether the boats are in Receiver's possession; update web blurb and to Lowe to update; update sale process timeline and to GSNH to review; Crawley re CRA source audit and deemed trust claim; Samoilov re Feb insurance payment due end of week

01/27/2015 Consulting fees - Corporate Mitchell

Work with J Hendriks and M Rotsztain regarding the Stalking Horse Bid purchase price and reviewing the breakdown of the various assets being conveyed under that Agreement. Email from J Earl regarding possible interest in purchasing the assets of the marina. S Sopic email regarding the Motion for production of documents and inventory allegedly held by G Crate. Correspond with P Crawley regarding the 2014 boat transactions review and update on findings. Direct staff re: updating our firm website with Court materials. N Litwack and M Rotsztain correspondence regarding the list of assess at Lagoon City and correspondence with R Rothbart, lawyer for the landlord, regarding a global settlement. Work with P Crawley and M Rotsztain reviewing the Powell credit being bid and verifying the receipt of the funds in the books and records of Crate Marine Sales Limited. Phone call and email with P Crawley regarding the request by G Crate to remove his father's estate assets from the premises and the necessity of him filing a Property Proof of Claim. Phone call with R Drake regarding letters to Phelan, Wood and Schneider Ruggiero who are all lawyers that have acted for the Crate companies. Work with P Crawley regarding the inventory of parts and equipment at Keswick, Willow Beach and in Quebec. A Fisher and P Crawley correspondence regarding the review of the books and records in the respect of the three principal residences, Boston Pizza, Crate Belleville Marina and other transactions under consideration. Discussion with B Bissell and M Rotsztain regarding effecting service in respect to the 9:30 scheduling Hearing for an Application for a Vesting Order regarding all of the Certificates of Pending Litigation. Email from B Spiegel attaching the Crate Belleville Marina Travel Lift leased by Crate Marine Sales Limited. Arrange with M Rotsztain and J Hendriks to send the Property Proof of

Claim form to the lessor of that travel lift and to add to the definition of purchased assets in the Asset Purchase Agreement the inclusion of that lift as there is no PPSA registration associated with the item. Review the accounts rendered by Froese and approve for payment. Two hour telephone conversation with M Rotsztain and J Hendriks re the Asset Purchase Agreement Stalking Horse Bid and in particular a review of the purchase price credit bid versus valuation analysis of the assets being conveyed. Correspond with S Levine regarding an email from A Lyons in respect of evidence in support of the Crawmet credits being bid. Email from M Rotsztain then review his draft sales process Order and the terms and conditions of the sales process. Work with P Crawley and J Rotman to consider the boat transaction spreadsheet and notes for all 2014 boat sales then review and discuss with B Bissell regarding advising H Chaiton, lawyer for Crawmet, of info about the sales of six of the Crawmet boats. Correspondence from P Crawley regarding the error in the CRA formal trust claim and how to communicate that the CPP portion is wrong. Receive from M Poliak the affidavit of B Spiegel in respect of the Marquis boat dispute.

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| 01/27/2015 | Banking - Corporate<br>Banking, posting. | Samoilov |
| 01/28/2015 | Consulting fees - Corporate<br>Entered property claims into database. | MacArthur |
| 01/28/2015 | Consulting fees - Corporate<br>Attend at Keswick to investigate amounts due from Boston Pizza (and related companies) and Crate Belleville. Miscellaneous emails, review of documents and discussions on Boston Pizza, Crate Belleville, adjacent properties and shareholder accounts. Review and amend my Affidavit for application for Certificate of Pending Litigation on 14 Highland Ave, Belleville. | Fisher |
| 01/28/2015 | Consulting fees - Corporate<br>Review of proof of claims and discussions with R Macarthur; review of BLG claim for S Mitchell; E-mails. | Stelzer |
| 01/28/2015 | Consulting fees - Corporate<br>Attend at Keswick; direct staff in completing parts inventory count and update system; prepare asset listing for Keswick and Willow Beach with assistance of G. Staples; complete customer boat listing for ppoc process; calls and visits from customers. | Crawley |

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| 01/28/2015 | Consulting fees - Corporate | Chopowick |

Respond to boat owner calls and interested parties re inventory; email to J Hendriks; print and review Proof of Claim forms received and confirm receipt via email.

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| 01/28/2015 | Consulting fees - Corporate | Hendriks |

Calls and emails re proof of property claims to date and customer queries; follow up re parts and equipment listings that will be needed for offer valuation including info on truck and trailer in Florida; ongoing edits and collection of additional information for offer valuation vis-a-vis the value of all assets and the quantum of priority claims and secured debt to be bid; calls and emails interested parties; tax certificates from Georgina Township and forward copy to Rossanese

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| 01/28/2015 | Consulting fees - Corporate | Mitchell |

Work with B Bissell and A Fisher regarding the Affidavit in respect of the house in Belleville occupied and owned by R Crate all in support of a Motion Record requesting the Court to order our right to register a Certificate of Pending Litigation on the title to that residence. Review the Crate Belleville account receivable with A Fisher and assist P Crawley in crafting and sending a demand letter to R Crate. Work with A Fisher regarding his analysis of the Boston Pizza investment and constructive equity position. Work with S Sopic to correspond with E Bisceglia regarding the secured claim and mortgage of Mr. Cessarroni. Discussion with B Spiegel regarding his request for boats slip revenue analysis. S Sopic correspondence with S Crate regarding the amounts that he owes to 138 Corporation. Discuss with B Bissell the claims of Crate Marina Sales from the three Crate siblings and consider possible bankruptcy applications. R Stelzer and M Rotsztain correspondence re the Property Proof of Claim from I Jacobs (of Carver Yachts), his claim of having a General Security Agreement and possibly a Purchase Money Security Interest in four boats, etc. G Farrar (associate of D Powell), telephone call regarding the shares in 219 Corporation. Discussions and emails with M Rotsztain regarding his opinion and review of the Crawmet General Security Agreement and other security. Follow up with R Drake on demand letters he sent to various lawyers of the Crate's seeking documentation and information. Review and comment on B Bissell's draft letter to R Rothbart regarding Lagoon City Marina matter. Telephone call from Don Rogers in respect of

his Property Proof of Claim of a boat at Keswick. B Bissell and A Fisher correspondence and telephone call to review the draft Affidavit in respect of the Certificate of Pending Litigation on R Crate's house in Belleville. Finalize the affidavit then meet A Fisher to swear his Affidavit and then arrange to get that to B Bissell. Telephone call from D Powell regarding the shares in 219 Corporation the lawyer P May being out of town and unable to respond to the request from Goldman Sloan.

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| 01/28/2015 | Banking - Corporate<br>Banking. | Samoilov |
| 01/29/2015 | Consulting fees - Corporate<br>Attend at Keswick to continue investigation on amounts due from Boston Pizza (and related companies) and Crate Belleville. Miscellaneous emails, review of documents and discussions on Boston Pizza, Crate Belleville, adjacent properties and shareholder accounts. | Fisher |
| 01/29/2015 | Consulting fees - Corporate<br>Entered property claims into database. | MacArthur |
| 01/29/2015 | Consulting fees - Corporate<br>Review of boats list from B Brinks; review of list from counsel to Crawmet of additional Belleville boats; discussion with S Mitchell; discussion with L Samoilov regarding cheques for deposit. | Stelzer |
| 01/29/2015 | Consulting fees - Corporate<br>Attend at Keswick; AR letter to Belleville; arrange for inefficient furnaces to be turned off and water drained; discussions with customers about ppoc; prepare and send report to police investigator; complete asset listings; call to arrange appraisal of assets; discussions with J. Hendriks; discuss related party investigation with A. Fisher; instruct K. Murray in assembling rent roll information. | Crawley |
| 01/29/2015 | Consulting fees - Corporate<br>Review and responding to emails. Updating website. | Lowe |
| 01/29/2015 | Consulting fees - Corporate<br>Respond to telephone call re owners queries | Blunda |
| 01/29/2015 | Consulting fees - Corporate<br>Calls from boat owners regarding Property Claim Forms. | Chopowick |

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| 01/29/2015 | Consulting fees - Corporate | Hendriks |

Calls and emails re proof of property claims to date and customer queries; follow up re parts and equipment listings that will be needed for offer valuation; discussions Crawley and Stelzer re boat listing and sales staff wholesale estimated value and need for independent valuation from Hilco;; calls and emails interested parties; seek additional information for offer valuation; calls and emails Poliak re proof of property claims to be filed by Crawmet; preliminary review of 1800 and Boston Pizza structure and cash transfers; Drake re CMSL no-name voluntary disclosure to CRA; respond to Poliak request for additional information on Crawmet boats; updated offer valuation to Mitchell and GSNH

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| 01/29/2015 | Consulting fees - Corporate | Mitchell |

B Bissell and A Fisher phone calls and emails regarding correspondence to and from S Crate and G Ferguson (the Chartered Accountant for Crate) in respect of the dollars claimed as being due by S Crate to 138 Corporation and seeking access to the records of Powell Jones, Chartered Accountants, for information. Review memo from A Fisher regarding his findings on the Boston Pizza transactions. Telephone conference call with A Fisher and B Bissell regarding the claims against various properties. Email and phone with B Bissell in respect of Ryan Crate agreeing not to object to the Application to Court for a CPL to be registered on the Belleville property which he holds title to and that he likely will also not object to the CPL which we have already registered on the Mac Avenue property in Keswick. A Rossanese emails to P May, lawyer for 219 Corporation and telephone call with her to discuss pursuing the required information. Conference call with B Bissell and A Fisher in respect to the Boston Pizza investigation and how to proceed. Telephone call with P Crawley regarding the 2014 boat transactions and the Crawmet boats that were sold by Crate Marina. Telephone call with B Bissell regarding the correspondence with E Bisceglia in respect of the Cessaroni mortgage. R Drake and J Hendriks correspondence regarding the lawyer Ian Morris and his response providing us with the submissions that he made to CRA on behalf of the Crate group. Telephone call with P Crawley regarding his analysis of the accounts receivable and collection efforts as well as the recent versions of the asset listings to be attached as

exhibits to the Asset Purchase Agreement. Email correspondence with M Poliak regarding the subsidiary of Crawmet, being Crates Bellville Limited, and the boats it had acquired. Review with A Fisher and P Crawley the details of the $500,000 loan from Structform to Crate Marine Sales.

01/30/2015 Consulting fees - Corporate MacArthur
Entered property claims into database

01/30/2015 Consulting fees - Corporate Stelzer
Discussion with M Poliak regarding Zodiak boats; review of A/R listing with J Hendriks and send updated list to J Hendriks; review of B Brinks valuation figures.

01/30/2015 Consulting fees - Corporate Crawley
Attend at Keswick; discuss concluding parts inventory count with staff; calls from customers about ppoc; respond to R. Crate re Belleville AR detail; review Crawmet advance information with Kris N.; met with S. Crate re: snowmobile keys; search for documents in respect of D. Bedard Carver 57; review D. Powell advance support.

01/30/2015 Consulting fees - Corporate Lowe
Review and responding to email regarding property proofs of claim. Telephone calls regarding property proof of claims and other matters.

01/30/2015 Consulting fees - Corporate Chopowick
Respond to various calls and queries; print and review claim forms received re WEPP; advise Service Canada of claims received and update tracking schedule; prepare WEPP packages for employees who did not receive in the mail and forward via email.

01/30/2015 Consulting fees - Corporate Hendriks
calls and emails interested parties; meetings Stelzer, Lowe and Mitchell and numerous calls and emails re proof of property claims received before and after Court deadline of 3:00 p.m.; update Receiver's activities and to Bissell for inclusion in Receiver's Third report; follow up with Poliak re 3 Crawmet proofs of property received and review quantum of debt claims to be used in offer valuation; follow up with Crawley re proof of property received by him in Keswick from Crates just prior to 3:00 deadline; Stelzer re detailed review of A/R in IR report compared to current tracking listing and consider collectability of same

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| 01/30/2015 | Consulting fees - Corporate | Mitchell |

Several telephone calls and emails with H Chaiton and B Bissell in respect of the Court hearing date for the Sales Process Motion Record as well as further evidence needed perhaps in the form of Affidavits to support the Crawmet and Powell credits being bid. Work with J Hendriks and B Bissell on the drafting of the Receiver's Report in respect to the upcoming Court Motion. Discuss with P Crawley the request by S Crate for an extension to file his Property Proof of Claim form. Work with B Bissell and J Hendriks to review the Receiver analysis of the valuation of the assets being conveyed under the Asset Purchase Agreement compared to the value of the purchase price which is the credit being bid by Crawmet and Powell plus some cash. Review email from K Beswick including information in respect of Boston Pizza together with financial statements of the various corporations involved. Letter from J Markin, lawyer for Lynn, Steven and Greg Crate regarding the Certificates of Pending Litigation that the Receiver has registered on the properties adjacent to the marina in Keswick. Numerous phone calls and emails with H Chaiton and M Poliak firstly in respect of the evidence in support of the credit being bid by Crawmet and secondly in support of the bid being offered by Powell and then discuss that information and direct P Crawley to review the books and records in Keswick to find the corresponding receipt of funds from Crawmet and Powell to further prove the advances claimed were in fact made. Letter from L Vittas regarding the Trust Claim of P Tobey then review that trust claim with S Sopic, J Hendriks, P Crawley and B Bissell attempting to corroborate the claim in the books and records of the Company as well as to review the legal response to such a Trust Claim in the receivership and bankruptcy. M Poliak discussion and correspondence with respect to several property Proofs of Claim to be filed by Crawmet and B Spiegel.

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| 01/30/2015 | Banking - Corporate | Samoilov |

Banking.

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| 01/31/2015 | Consulting fees - Corporate | Crawley |

Reconcile accounts receivable as at Dec 2 vs appointment date and report to J. Hendriks; review of Crawmet advances and prepare report to counsel thereon.

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| 01/31/2015 | Consulting fees - Corporate | Hendriks |
| | Conference call Mitchell, Bissell and Rotsztain re file overview and their overview comments on draft offer valuation schedule | |
| 01/31/2015 | Consulting fees - Corporate | Mitchell |
| | Throughout the day various emails and telephone calls with staff and lawyers moving forward on all matters. Telephone conference call at 4:00 pm with J Hendriks, B. Bissell and M Rotsztain to review the latest summary of the valuation of assets being conveyed and the credit being bid in the Stalking Horse Asset Purchase Agreement. | |
| 02/01/2015 | Consulting fees - Corporate | Crawley |
| | Complete review of Crawmet advances and report thereon. | |
| 02/01/2015 | Consulting fees - Corporate | Mitchell |
| | Intermittently during the day telephone calls and emails and generally continuing to administer all matters under the receivership. Work on the Receiver's next report to Court in support of the Stalking Horse Bid and summarizing all of the Receiver's activities. | |
| 02/02/2015 | Consulting fees - Corporate | Stelzer |
| | Review through property claims; update to customer owned boats list and update to Lagoon City information; meeting to discuss property claims. | |
| 02/02/2015 | Consulting fees - Corporate | Hendriks |
| | Calls and emails from boat owners and Crates personally now that claims deadline passed; meetings Lowe and Mitchell re claims process, claims filed just prior to deadline and updating tracking sheet, claims received after deadline, communications to claimants, etc.; follow up re Belleville travel lift | |
| 02/02/2015 | Consulting fees - Corporate | Lowe |
| | Review and responding to emails regarding property proofs of claims and other matters. Multiple telephone calls with customers regarding property proofs of claim. | |
| 02/02/2015 | Consulting fees - Corporate | Crawley |
| | Review information requests from appraiser and provide responses; conference call with staff to discuss property proof of claim review process; prepare list of Willow Beach stored boats and owners; discuss boat listing with R. Stelzer; respond to S. Crate's demand for release | |

of his snowmobiles; respond to C. Caron; review queries rose by counsel on secured advance verification.

02/02/2015 Consulting fees - Corporate Chopowick
Various calls from employees re WEPPA; preparation of electronic copies of packages and email to employees as requested.

02/02/2015 Consulting fees - Corporate Mitchell
Work with R Stelzer, J Hendriks and G Lowe to finalize the inputting of the many hundreds of Property Proof of Claim forms received; and discuss the claims review procedures and objectives. Again consider updated information now obtained in respect to various Boston Pizza investments and consider alternative actions with B Bissell and A Fisher. Review with P Crawley and A Fisher their findings in respect of so called shareholder loans being monies advanced and used by the three Crates siblings including in respect to their three principal residences. Meet with H Chaiton to discuss the status of all matters from the Stalking Horse Bidders perspective and what is needed to move forward. M Poliak phone calls and emails in respect of the Crawmet and Powell credit bid and evidence of their advances. Meet from 3:00 pm until 4:30 pm with R Stelzer, J Hendriks and P Crawley regarding the Property Proof of Claim forms that had been filed with us and the necessary review actions to ultimately approve or otherwise of those claims over the next weeks. Telephone call with M Rotsztain to discuss his observations regarding the Crawmet boat loans and the assignment of the B Spiegel claim to Crawmet; and agreement to formalize our findings and observations in an email to be sent to H Chaiton for a response. Phone with R Drake about the refusal of Mr. Phelanto provide his file documents regarding the Boston Pizza transaction and the adjacent properties as well as his explanation that he was simply agent for lawyer Dickson Wood on the Boston Pizza transaction.

02/03/2015 Consulting fees - Corporate MacArthur
Entered property claims into database.

02/03/2015 Consulting fees - Corporate Stelzer
Review into claim of N Applebaum; discussion with S Mitchell and then B Brinks and P Wilson regarding boat values; review of B Brinks invoice for internet and claim of travelling salesman; call with K Drew; call with P Crawley and arrangements regarding tomorrow.

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| 02/03/2015 | Consulting fees - Corporate | Hendriks |

Ongoing updates to offer valuation assumptions and schedules; operations issues with Nicholson and Crawley including Markin call to Nicholson; calls and emails from interested parties and boat owners; APA issues with Mitchell and Bissell; Crawley re inventory and equipment lists for all locations for Hilco appraisal and for schedules to APA; Rotsztain and Crawley re Crawmet proof of advances

| | | |
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| 02/03/2015 | Consulting fees - Corporate | Lowe |

Review and responding to emails regarding property proofs of claims and other matters. Telephone calls with customers regarding property proofs of claim. Updating website.

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| 02/03/2015 | Consulting fees - Corporate | Crawley |

Attend at Keswick; call from J. McGrath re: WEPP; review asset files for info to assist appraiser; discuss parts inventory verification with G. Staples; review payroll; discussion with J. Hendriks; prepare asset schedules for sales process; discuss matters with R. Stelzer; review findings with J. Rotman and give further direction.

| | | |
|---|---|---|
| 02/03/2015 | Consulting fees - Corporate | Chopowick |

Print and review WEPP Proof of Claim forms received and respond to emails; update WEPP tracking schedule and notify WEPP of receipt.

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| 02/03/2015 | Consulting fees - Corporate | Mitchell |

Emails and telephone calls with M Rotsztain summarizing our findings regarding the Crawmet and Powell advances covered by their security interest and set out precisely further evidence Receiver requests from secured creditors to be satisfied regarding the credit bid they propose to make as a Stalking Horse. Work with J Hendriks regarding the Receiver's Report in support of the next Court Motion. Work with P Crawley regarding the inventory of parts at the various locations and concerns about some missing part count sheets and possibly some missing high value electronic parts. Learned from P Crawley that S Crate and his lawyer, J Markin had called our controller Kris Nicholson directly and had questioned her on information she had provided to A Fisher regarding the adjacent properties and had allegedly rattled her. Discuss same with B Bissell who devised and sent a letter to Mr. Markin and

who assisted me to craft and send a letter to S Crate. Also worked with B Bissell regarding the drafting of the Receiver's Report. Phone with A Rossanese regarding her correspondence to P May about the shares in 219 Corporation. Work with J Hendriks regarding the purchase price versus the valuation analysis that will form the basis of a confidential memo to the Judge in the Sales Process Court Application. Discuss with A Fisher the results of his interview of Dickson Wood about the adjacent properties and the Boston Pizza transaction in order to gather evidence regarding intent and to obtain consent to direct Mr. Phelan to release certain Boston Pizza documents to the Receiver. Step back and review all the matters under the administration and ensure BIA and order compliance.

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|---|---|---|
| 02/03/2015 | Banking - Corporate<br>Banking, posting. | Samoilov |
| 02/04/2015 | Consulting fees - Corporate<br>Review and reconcile pay stubs to T4s for shareholders. Emails with Kris to explain any discrepancies. Review of financial statements and shareholder agreement for Boston Pizza. | Fisher |
| 02/04/2015 | Consulting fees - Corporate<br>Entered property claims into database. | MacArthur |
| 02/04/2015 | Consulting fees - Corporate<br>Discussions with G Staples, J Crawford, B Miller, D Mader; K Nicholson and others throughout the day; review through customer list with hull numbers with G Staples and K Murray; call with W Macphie; correspondence and review of Regal; review of B Miller; part inventory; travel. | Stelzer |
| 02/04/2015 | Consulting fees - Corporate<br>Ongoing updates to offer valuation and meeting Mitchell to review the various entities and potential actions of the Receiver to be included in the offer valuation; calls and emails re debts advanced by the secureds; emails and calls re property proof process; extended meeting with Mitchell re valuation report; Crawley re HST audit timing and voluntary disclosure; Crawley re information still outstanding for valuation report and attachments for APA; Mitchell, Rotsztain and Bissell re APA ongoing updates; Crawley Mitchell and Rotsztain re proof of advances for Crawmet and Powell | Hendriks |

| | | |
|---|---|---|
| 02/04/2015 | Consulting fees - Corporate<br>Review and responding to emails regarding property proofs of claims and other matters. Telephone calls regarding property claims and other matters. | Lowe |
| 02/04/2015 | Consulting fees - Corporate<br>Complete verification of secured advances and interest calculations on Crawmet loans and report to counsel thereon. | Crawley |
| 02/04/2015 | Consulting fees - Corporate<br>Email to employee re WEPP. | Chopowick |
| 02/04/2015 | Consulting fees - Corporate<br>Work with A. Fisher continuing to gather information and summarize the facts as we understand them regarding compensation to the three Crate siblings, and the analysis of the so called share holder loan accounts and tracing of funds into the adjacent properties, Boston Pizza and the three principal residences. Work with M Rotsztain to finalize an email to lawyers at Chaitons setting out our observation and needs in respect of the evidence to support of the Crawmet and Powell credits being bid. Telephone call with H Chaiton to discuss what further evidence is needed to be obtained as well as to arrange the Court date and serve the Motion Record of the Sales Process. B Bissell phone call regarding the Receiver's Report and ongoing discussion about its content and timing. J Hendriks review of the updated asset valuation versus purchase price analysis. P Crawley review of evidence of receipt by Crate Marine Limited of money advanced by both Powell and Crawmet and B Spiegel and Crates Belleville; as well as security issues in respect of the truck and trailer at the Regal site in Florida; review with J Rotman his finding from the books and records in respect of funds of Crates Marine Sales Limited used for purchasing or maintaining or financing the residences of the three Crate siblings. Review email exchange between B Bissell and J Markin debating the rights to speak directly to the Receiver's employees and to write directly to the Receiver. Lengthy telephone conference call with H Chaiton, M Rotsztain and B Bissell regarding what is needed to complete the Motion Record in support of the Sales Process, file it and serve it and fix a hearing date for late next week. Subsequently have the same conversation with A Lyons of Crawmet. Telephone call with D Powell regarding issues he has with the credit bid and in particular questions in respect of his boats in possession of the | Mitchell |

Receiver, the Willow Beach Marina and 7/8 Mac Avenue. Email correspondence with lawyer G Miller who acts for Dusty Miller in connect with the Receiver's demand for the $270,000 account receivable to be paid. Four hour meeting with J Hendriks going over every line item on the draft analysis comparing the valuation of the assets being purchased by the Stalking Horse Bidder versus the credit that is being offered as the purchase price, edited and assist in getting it to the stage where it can be sent out to M Rotsztain, B Bissell for hopefully final comments and then for completion. Review detailed emails and attachments from M Poliak providing detailed support of the Powell credit bid. Further telephone call with A Lyons to update him on all matters. Telephone conference with A Fisher and B Bissell regarding the interview of Dickson Wood and his evidenc. Review with J Rotman
his report on the three residence cash flows from Crate Marine Sales Limited. Review the revised Sales Process terms and Sales Process Order provisions provided by M Rotsztain. Work late into the evening continuing to push forward on matters focusing on the Sales Process and the Motion Record related thereto.

02/05/2015 Consulting fees - Corporate Stelzer
Discussions throughout the day with G Staples and K Murray on updates to customer boats listing for property proof of claim matching; E-mails related to Boston Pizza; search for first Powell loan advance; call with Telizon regarding Lagoon City; call with W MacPhie.

02/05/2015 Consulting fees - Corporate Hendriks
Updates to offer valuation and assessment of value of all the various assets being purchased, including reconciling to various entities financial statements and previous reports; review Hilco appraisal, follow up re Belleville lift and update offer valuation report accordingly; review and comments on Bissell's draft of the Third Report; updates to Adjacent Properties schedule of valuation report; Stelzer re operations; Nicholson to confirm where Dec 2008 payment from Boston Pizza to CMSL was deposited; comments on valuation report and updates; update sales process timeline

02/05/2015 Consulting fees - Corporate Chopowick
Respond to employee email query re WEPP.

02/05/2015 Consulting fees - Corporate Mitchell

Edit, review and revise three different times during the day the Receiver's Third Report to Court. Edit, review and revise two times during the day the purchase price versus assets valuation analysis which will be a Confidential Exhibit to the Receiver's Third Report to Court. Correspondence with B Bissell and A Fisher regarding the Boston Pizza investment including information requested from the lawyers Phelan, Wood as well as Mr. Beswick inquiries. Phone with M Rotsztain regarding Powell as well as with M Poliak together with emails all in respect to the Powell credit and supporting information regarding evidence of the advances. Review the slip rental analysis prepared by J Rotman including the 2014 actual revenues versus 2015 rack rate information and further direct. Phone call with M Poliak and H Chaiton regarding the remaining evidence of advances in the support of the credits bid by both Powell and Crawmet as required by the Receiver.

02/06/2015 Consulting fees - Corporate MacArthur
Entered property claims into database

02/06/2015 Consulting fees - Corporate Stelzer
Review of journal entries related to Powell advance and related discussion with S Mitchell and then K Nicolson; discussion with K Nicholson on Boston Pizza; discussion with G Staples; follow up with W Macphie; E-mail to team regarding claims review process and related discussion with G Lowe; correspondence with B Brinks.

02/06/2015 Consulting fees - Corporate Hendriks
Ongoing calls, emails and meetings re APA, appendices to Rotsztain, total purchase price calculation and offer valuation' Kimsiak from Moneris; update to sales process timeline given confirmed Court date of Feb 13; Stelzer re sale staff liquidation assessments of the owned boat inventory; amended security opinions from Rotsztain

02/06/2015 Consulting fees - Corporate Litwack
Attended at Keswick marina; supervised staff performing daily duties for the receiver; addressed customer and staff concerns and issues on site; reviewed and investigated customer boat sale, ownership and lien issue.

02/06/2015 Consulting fees - Corporate Chopowick
Emails and calls from employees re WEPP; email from

P Crawley; print and review WEPP claims received, update tracking schedule and notify WEPP; call from employee requesting WEPP package and follow up email to Peter.

02/06/2015 Consulting fees - Corporate Mitchell
Review with S Levine the final Stalking Horse Bid Asset Purchase Agreement and discuss with M Rotsztain and approve further amendments. Numerous emails and phone calls with M Rotsztain and M Poliak regarding the Crawmet and Powell credit bids and direct R Stelzer and K Nicholson to search the Crate books to prove certain Powell advances were received by Crate Marina Sales Limited. Work throughout the day on numerous telephone calls and emails with B Bissell attempting to finalize the Receiver's Report to Court. Telephone conference call and email exchanges with B Bissell, M Rotsztain and J Hendriks regarding the purchase price versus the asset valuation analysis which will form a Confidential Exhibit to the Receiver's Third Report. Received from M Rotsztain and review and approve the restated and amended Crawmet GSA legal opinion as well as the restated and amended legal opinion on the realty charges, all needed for the Receiver's Report to Court. Received from M Poliak and review Powell's Affidavit to address the remaining credit bid issues. Receive and review from M Poliak the Crawmet Affidavit sworn by A Lyons to address the outstanding Crawmet credit bid issues.

02/06/2015 Banking - Corporate Samoilov
Banking, posting.

02/07/2015 Consulting fees - Corporate Hendriks
Calls and emails over the weekend re final changes to APA, calculation of purchase price and impact on offer valuation; review Quebec asset estimated realizations for Rotsztain as requested

02/07/2015 Consulting fees - Corporate Mitchell
Numerous phone calls and emails throughout the day with B Bissell, M Rotsztain, J Hendriks, S Levine, M Poliak to discuss and make final amendments to the Asset Purchase Agreement of the Stalking Horse Bidder, to the Receiver's Third Report together with exhibits and to the Motion Record including draft Order and description of Sales Process.

02/08/2015 Consulting fees - Corporate Stelzer

Updated inventory spreadsheet for liquidation values from B Brinks and P Wilson; E-mail to J Hendriks; review of P Wilson invoice and E-mail to L Samoilov.

02/08/2015 Consulting fees - Corporate Mitchell

Numerous phone calls and emails throughout the day with B Bissell, M Rotsztain, J Hendriks, S Levine, M Poliak to discuss and make final amendments to the Asset Purchase Agreement of the Stalking Horse Bidder, to the Receiver's Third Report together with exhibits and to the Motion Record including draft Order and description of Sales Process. Finalize the Notice of Motion Record together with the Receiver's Report, the Stalking Horse Bid, the two Confidential Exhibits, and the draft Order, execute same and instruct our lawyers to serve this upon the list.

| | | | |
|---|---|---|---|
| | | Total for Services | $ 318,740.50 |
| Expenses: Photocopies, faxes, etc. | 4,890.30 | | |
| | | Total for Expenses | 4,890.30 |
| | | Subtotal | 323,630.80 |
| | | HST | 41,436.27 |
| | | Current Amount Due | $ 365,067.07 |

HST#136800752RT0001

A. FARBER & PARTNERS INC.

CRATE MARINE SALES LIMITED - RECEIVERSHIP

SUMMARY OF TIME INCURRED
JANUARY 5, 2015 – FEBRUARY 8, 2015

| Name | Total Hours | Rate Per Hour | Billing |
|---|---|---|---|
| S. Mitchell | 174.00 | $575.00 | $100,050.00 |
| J. Hendriks | 95.30 | $525.00 | $50,032.50 |
| A. Fisher | 62.35 | $480.00 | $29,928.00 |
| A. Fisher* | 1.70 | $575.00 | $977.50 |
| R. Stelzer | 36.70 | $425.00 | $15,597.50 |
| P. Crawley | 176.50 | $425.00 | $75,012.50 |
| N. Litwack | 19.60 | $425.00 | $8,330.00 |
| L. Samoilov | 19.80 | $165.00 | $3,267.00 |
| D. Falcione | 9.50 | $155.00 | $1,472.50 |
| G. Lowe | 133.00 | $155.00 | $20,615.00 |
| A. Chopowick | 24.20 | $155.00 | $3,751.00 |
| L. Blunda | 1.00 | $190.00 | $190.00 |
| R. MacArthur | 53.30 | $155.00 | $8,261.50 |
| L. Lloyd-Key | 8.10 | $155.00 | $1,255.50 |
| **Total** | **815.05** | | **$318,740.50** |

*Rate increase as at February 1, 2015

# TAB H

Commercial List File No. 14-CV-10798-00CL

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

IN THE MATTER OF THE RECEIVERSHIP OF
CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED,
1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED,
1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.

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**AFFIDAVIT OF R. BRENDAN BISSELL**

**(Sworn March 6, 2015)**

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I, R. Brendan Bissell, of the City of Toronto, hereby MAKE OATH AND SAY:

1. I am a barrister and solicitor qualified to practice in the Province of Ontario and am counsel to the law firm of Goldman Sloan Nash & Haber LLP ("**GSNH**") and therefore have knowledge of the matters in this affidavit. Where this affidavit is based on information and belief, I have stated the source of that information and believe it to be true.

2. GSNH are lawyers of record for A. Farber & Partners Inc. in its capacity as the Court appointed Receiver of Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited, 1282648 Ontario Limited, 1382415 Ontario Ltd. and 1382416 Ontario Ltd. (the **"Receiver"**).

3. Attached as **Exhibit "A"** to this affidavit is a copy of invoices rendered by GSNH to the Receiver for fees and disbursements incurred by GSNH in the course of this proceeding for the period from December 9, 2014 to February 8, 2015.

4. Attached as **Exhibit "B"** to this Affidavit is a schedule summarizing each entry in Exhibit "A", the total billable hours charged and the total fees charged.

5. The average hourly rate charged for the invoices set out in Exhibit "A" is $465.55 That is comprised of hours docketed by the following timekeepers at GSNH with the corresponding hourly rates:

| | |
|---|---|
| R. Brendan Bissell | $500.00 |
| Michael Rotsztain | $575.00 |
| Rodney Ikeda | $500.00 |
| Georgea Wolfe | $500.00 |
| Robert Drake | $330.00 |
| Sanja Sopic | $260.00 |
| Andrea Rossanese | $210.00 |
| Lea Knight | $195.00 |

6. To the best of my knowledge the rates charged by GSNH throughout the course of this proceeding are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.

7. The hourly billing rates outlined above are comparable to the hourly rates charged by GSNH for services rendered in relation to similar proceedings.

8. I make this affidavit in support of a motion by the Receiver for, among other things, approval of the fees and disbursements of GSNH as its counsel for the period from December 9, 2014 to February 8, 2015.

**SWORN** before me at the City of Toronto,
in the Province of Ontario
this 6th day of March, 2015

Sanja Sopic

A Commissioner for taking oaths, etc.

Sanja Sopic

**R. BRENDAN BISSELL**

This is **Exhibit "A"** referred to in the Affidavit of R. Brendan Bissell sworn before me this 6th day of March, 2015

A Commissioner etc.

A. Farber & Partners Inc.
150 York Street
Suite 1600
Toronto, Ontario
M5H 3S5

Attention: Stuart Mitchell

DATE: January 7, 2015
FILE NO: 143089

Suite 1600
480 University Avenue
Toronto, Ontario
M5G 1V2
Telephone: (416) 597-9922
Facsimile: (416) 597-3370

POSTED

H.S.T. NO: 12233 6290 RT0001
INVOICE NO: 126930

IN ACCOUNT WITH

**GOLDMAN SLOAN NASH & HABER LLP**
BARRISTERS & SOLICITORS

**RE: Crate Marine Sales Limited, 1330732 Ontario Limited, 1328559 Ontario Limited, 1282648 Ontario Limited, F.S. Crate & Sons Limited, Steven Crate & Estate of Lloyd Crate**

| DATE | LAWYER | | TIME | TOTAL |
|---|---|---|---|---|
| Dec/09/14 | RAI | Meeting with M. Rotsztain, B. Bissell and G. Wolfe on background and security opinions. | 1.00 | 500.00 |
| | GSW | Meeting with M. Rotsztain, B. Bissell and R. Ikeda on background and security opinions. | 1.00 | 500.00 |
| | GSW | Source Canada Shipping Act materials and brief review; email to S. Sopic re instructions; | 0.25 | 125.00 |
| | BB | Conferences with M. Rotsztain and R. Ikeda re: receivership implementation issues and independent security opinions on land. | 0.60 | 300.00 |
| | BB | Review of issues for real property and chattel security opinions and meeting with G. Wolfe and R. Ikeda re: same. Further e-mails with S. Mitchell re: same. | 2.30 | 1,150.00 |
| | BB | Review of e-mail and documents re: Aviva sale of 43' Regal owned by R. Gorochowskij. E-mail re: suggestions for further handling of same. Preparation of draft authorization and direction.<br><br>Further analysis of indemnity/release issues, and e-mail to clients re: possible interplay with claims procedure and risk of action in advance of same. | 1.90 | 950.00 |
| | BB | Review of and revisions to draft Dec. 8, 2014 endorsement. | 0.40 | 200.00 |

ACCOUNTS ARE DUE WHEN RENDERED
Pursuant to the Solicitors' Act interest at a rate of 3.00% per annum will be charged on amounts due, calculated commencing one month after the date of delivery of this account. Any disbursements recorded after preparation of this account will be billed at a later date.

A. Farber & Partners Inc.

January 7, 2015
Invoice: 126930

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|---|---|---|---|---|
| | MBR | Meeting to brief R. Ikeda and G .Wolfe on background, security review and opinion. | 1.00 | 575.00 |
| | MBR | Reviewing Marquis documentation, searches and applicable PPSA provisions and related email correspondence and telephone calls regarding PMSI claim. | 1.00 | 575.00 |
| | MBR | Email correspondence and review of correspondence, and reviewing with B. Bissell, relief to seek in, and material for subsequent motion. | 1.70 | 977.50 |
| | MBR | Email correspondence and telephone calls, and advice, on various initial issues such as position to take on prepaid boat slips, boat release requests, ownership and security interests asserted against boats, insurance, notifications and other matters. | 2.20 | 1,265.00 |
| | MBR | Review searches and documents for purposes of preparing for security review. | 0.80 | 460.00 |
| | MBR | Review outstanding matters and considering future required steps. | 0.70 | 402.50 |
| | EIA | To conduct PPSA searches against 1382415 Ontario Ltd; F.S. Crate & Sons Limited; 1382416 Ontario Ltd.; 1282648 Ontario Limited; 1328559 Ontario Limited; 1330732 Ontario Limited; and Crate Marine Sales Limited. | | 150.00 |
| | EIA | To conduct Corporate Search and Security Search (PPSA) against Crate Belleville Inc. | | 60.00 |
| Dec/10/14 | BB | Review of and revisions to draft employment letter. | 0.40 | 200.00 |
| | BB | Review of and revisions to draft information circular. | 0.30 | 150.00 |
| | BB | E-mails with the Commercial List office re: 9:30 appointment and e-mails with M. Poliak re: request form for same. Submission of form. | 0.30 | 150.00 |
| | BB | Conference with R. Ikeda re: water rights issues for operations of Crate Marine and telephone call with S. Mitchell for instructions on same. | 0.40 | 200.00 |

| | | | | |
|---|---|---|---|---|
| | BB | Review of e-mails from J. Marshall re: registrations against the Marquis yacht, and re: proposed display of the yacht at the Toronto Boat Show, and telephone call with S. Mitchell re: instructions on further steps for possible agreement. | 0.60 | 300.00 |
| | BB | Review of e-mails re: Al Tupper sunken boat and issues relating to insurance coverage. | 0.40 | 200.00 |
| | BB | Review of e-mails and suggested response re: 2007 Regal 4460 purchased from insurer. Analysis of issues and e-mails with A. Fisher re: same. | 0.50 | 250.00 |
| | BB | Preparation of draft Notice of Motion for administrative relief. | 2.10 | 1,050.00 |
| | MBR | Reviewing drafts of employee letter and of information circular and preparing amended versions; consultations with B. Bissell on amendments; email correspondence with the Receiver on amendments; reviewing required material | 1.80 | 1,035.00 |
| | MBR | Reviewing additional material on the Marquis yacht, including regarding trucking company's claim, and email correspondence with the Receiver. | 1.10 | 632.50 |
| | MBR | Reviewing outstanding matters with B. Bissell, including motions to be brought on administrative matters and on claims to assets. | 0.80 | 460.00 |
| | MBR | Reviewing material regarding possible competing claims and security interests in boats. | 0.90 | 517.50 |
| | MBR | Email correspondence with the Receiver on a communications protocol and preparing the terms of such protocol; advice on additional matters. | 1.40 | 805.00 |
| Dec/11/14 | SFS | Meeting with B. Bissell and M. Rotsztain to discuss research on property claims process. Researching property claims procedure orders. | 3.50 | 910.00 |
| | GSW | Various emails to and discussion with A. Rossanese. | 0.25 | 125.00 |
| | BB | Finalized Notice of Motion for administrative | 3.10 | 1,550.00 |

| | | | |
|---|---|---|---|
| | relief. Preparation of draft Orders re: same. Preparation of draft Report of the Receiver and Trustee re: same. Revisions to drafts and e-mail to client. Preparation of Motion Record. | | |
| BB | Conference with M. Rotsztain and S. Sopic re: issues for review for planned claims order. Instructions to R. Drake re: same. | 0.50 | 250.00 |
| BB | Review of voice-mail from insurer for Regal 4460 boat and suggested response. Revisions to same and e-mail to A. Fisher. | 0.30 | 150.00 |
| BB | Telephone call with S. Mitchell re: instructions on motion returnable on Dec. 12 and on claims bar order to be sought. | 0.20 | 100.00 |
| BB | Revisions to Motion Record for comments from J. Hendriks. E-mail to Service List enclosing motion record. E-mail to the Court re: same. | 1.20 | 600.00 |
| BB | Revisions to draft terms for dealing with the Marquis Yacht. | 0.20 | 100.00 |
| BB | E-mails and call with J. Hendriks re: funding issues and possible need for increased Receiver's borrowing. | 0.40 | 200.00 |
| BB | E-mails and call with J. Hendriks re: providing notice of the motion to the OSB and e-mail re: same. | 0.20 | 100.00 |
| BB | Conference with M. Rotsztain re: issues for upcoming motions. | 0.40 | 200.00 |
| MBR | Reviewing additional Marquis documentation provided by its counsel; preparing drafts of an agreement among the Receiver, Crawmet and Marquis Yachts that would permit the sale of the yacht pending resolution of priorities; email correspondence with the Receiver regarding the agreement and comments; email correspondence with Chaitons. | 3.70 | 2,127.50 |
| MBR | Reviewing with B. Bissell numerous outstanding matters, including proposed motions for amending orders, property claims process, increased borrowing powers and report approvals, as well as competing boat claims and the Marquis yacht. | 1.80 | 1,035.00 |

| | | | | |
|---|---|---|---|---|
| | MBR | Review and commenting on draft motion material. | 1.00 | 575.00 |
| | MBR | Telephone call with S. Mitchell to review numerous outstanding matters, including proposed motions for amending orders, property claims process, increased borrowing powers and report approvals, as well as competing boat claims, leased premises and the Marquis yacht. | 1.00 | 575.00 |
| | MBR | Email correspondence with the Receiver on various matters arising in the administration, including the information circular and borrowing powers. | 1.20 | 690.00 |
| | MBR | Email correspondence with Marquis Yacht counsel, J. Marshall, on possible escrow arrangements. | 0.20 | 115.00 |
| | MBR | Email correspondence with R. Rothbart, Counsel for Lagoon City landlord, on outstanding issues, including keys and possible motion. | 0.20 | 115.00 |
| Dec/12/14 | SFS | Researching past claims process orders relating to property claims. | 2.10 | 546.00 |
| | GSW | Meeting with M. Rotsztain on Crawmet opinion. | 0.20 | 100.00 |
| | GSW | Various emails; review of Canada Shipping Act ("CSA") case and brief review of CSA; email to S. Sopic re CSA case. | 0.25 | 125.00 |
| | GSW | Various emails; discussion with A. Rossanese. | 0.25 | 125.00 |
| | GSW | Various emails; meet with M. Rotsztain; review of motion record and all attachments and mark up as required; review of response to motion record; review of case provided; review of materials from Careen; review of Marquis documentation and mark up as required. | 2.00 | 1,000.00 |
| | BB | Revisions to draft Orders. Attendance at chambers appointment to get Amended Appointment Order and December 12, 2014 Order re: administrative relief. Attendance at Commercial List Office to get orders issued and entered, get new court file number, and obtain available dates for motion. E-mails to the Service List re: same and re: new court | 1.80 | 900.00 |

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| | file number and title of proceedings. | | |
| BB | Review of Willow Beach lease issues and e-mails with M. Rotsztain re: possible further issues with management of the operation at that location. | 0.40 | 200.00 |
| BB | E-mails and voice-mails with S. Mitchell re: impact of confidentiality and sealing order on use of the appraisal obtained by the debtors. | 0.20 | 100.00 |
| BB | E-mails and call with J. Hendriks re: funding issues for the operation of the receiverships, and instructions for motion for increased Receiver's borrowing powers. | 0.40 | 200.00 |
| BB | Review of draft terms and e-mail exchanges re: possible agreement to display the Marquis boat for sale. | 0.20 | 100.00 |
| BB | Analysis of issues for motion for increased Receiver borrowing, claims order, and approval of Interim Receiver's fees and conduct, and for discharge of the Interim Receiver. Conference with S. Sopic re: results of review of claims orders and issues for further review. Instructions to R. Drake re: preparation of Notice of Motion. Preparation of outline of the Second Report of the Receiver. | 2.30 | 1,150.00 |
| MBR | Briefing G. Wolfe on security review and documents; necessary review of material. | 1.50 | 862.50 |
| MBR | Reviewing material on whether or not Canada Shipping Act mortgages are applicable. | 0.70 | 402.50 |
| MBR | Reviewing Lagoon City lease material. | 0.70 | 402.50 |
| MBR | Reviewing with B. Bissell issues relating to today's motion and future motions. | 0.80 | 460.00 |
| MBR | Email correspondence with J. Marshall, the Receiver and H. Chaiton on possible agreement for sale of Marquis Yacht, amending terms and reviewing them with B. Bissell. | 1.60 | 920.00 |
| MBR | Email correspondence with S. Mitchell on Willow Beach structure and issues; review issues with B. Bissell. | 0.70 | 402.50 |

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| | MBR | Email correspondence with the Receiver to advise on matters. | 0.80 | 460.00 |
| Dec/13/14 | MBR | Email correspondence with H. Chaiton on Crawmet position regarding possible Marquis agreement; email to S. Mitchell to report. | 0.50 | 287.50 |
| Dec/14/14 | MBR | Email correspondence with the Receiver on property claims received and court-approved process, on marine mortgages and to provide comments on draft employee termination letter; reviewing such letter. | 0.80 | 460.00 |
| | MBR | Email correspondence with H. Chaiton on Crawmet/Marquis priority issues; email thereon with S. Mitchell. | 0.40 | 230.00 |
| Dec/15/14 | RAI | Reviewing motion material received from M. Rotsztain; memo to clerk re title searches. | 1.80 | 900.00 |
| | SFS | Email to counsel for Paul Tobey. Meeting with R. Drake and M. Rotsztain to discuss marine mortgage searches, claims procedure order and next steps. Researching precedent claims process orders. | 4.40 | 1,144.00 |
| | GSW | Preparation of initial draft of opinion regarding Crawmet. | 2.00 | 1,000.00 |
| | MBR | Email correspondence on outstanding issues and next motion and materials; review and prepare outstanding matters listing. | 1.40 | 805.00 |
| | MBR | Meeting with R. Drake and S. Sopic on marine mortgages and on upcoming motion and materials. | 0.90 | 517.50 |
| | MBR | Review material on marine mortgages and interaction with PPSA registrations. | 1.00 | 575.00 |
| | MBR | Review security review issues with G. Wolfe; email correspondence with Chaitons for complete copy of Crawmet GSA. | 0.30 | 172.50 |
| | MBR | Email correspondence with S. Mitchell and H. Chaiton on apparent withdrawal by Marquis of proposed interim arrangements. | 0.40 | 230.00 |
| | MBR | Further email correspondence on on-going issues including Lagoon City lease and Cruisers dealer agreement and request for termination; exchanging voicemail's with R. Rothbart, counsel for Lagoon City landlord. | 0.70 | 402.50 |

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| | MBR | Review documents for property claims process court material and schedules. | 0.80 | 460.00 |
| | MBR | Email correspondence with Marquis and Crawmet counsel on possible sale of yacht pre- resolution of priorities; engaged on claims process documents. | 0.50 | 287.50 |
| | MBR | Additional email correspondence with Marquis counsel and Receiver on interim sale arrangements not being agreed upon and next steps. | 0.40 | 230.00 |
| | MBR | Telephone call and email correspondence with R. Rothbart, Lagoon City landlord counsel, regarding interest in lease, possible motion and possible resolution; email correspondence with S. Mitchell to report on and next steps. | 1.00 | 575.00 |
| Dec/16/14 | SFS | Meeting with M. Rotsztain and G. Wolfe to discuss opinion letter to client. Reviewing Canada Shipping Act to determine whether it contains conflict provisions. | 1.00 | 260.00 |
| | GSW | Preparation of initial draft of opinion in part. | 2.00 | 1,000.00 |
| | GSW | Meet with M. Rotsztain to review comments on initial draft of opinion. | 0.60 | 300.00 |
| | GSW | Prepare clean and blacklined version 2 of Crawmet opinion. | 1.00 | 500.00 |
| | BB | Conference with M. Rotsztain re: status of negotiations with Marquis and landlord of Lagoon City, and issues for claims process order. | 0.60 | 300.00 |
| | BB | Review of Bankruptcy and Insolvency Act issues for claims process order. Review of draft Notice of Motion for same. Review of precedents and preparation of draft claims process order. Further work on draft order. | 3.70 | 1,850.00 |
| | MBR | Telephone call with H. Chaiton on motion scheduling and Marquis. | 0.30 | 172.50 |
| | MBR | Telephone call with S. Mitchell on upcoming meeting with Lagoon City landlord, upcoming motion and Marquis. | 0.40 | 230.00 |

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| | MBR | Review material relating to Lagoon City lease as a result of position taken by landlord's counsel and possibility of resolving issues. | 0.40 | 230.00 |
| | MBR | Review draft Crawmet security opinion and preparing amendments and comments; necessary review of documents. | 1.70 | 977.50 |
| | MBR | Meeting with G. Wolfe and S. Sopic to review Crawmet security opinion amendments and Canada Shipping Act issues and searches. | 0.70 | 402.50 |
| | MBR | Reviewing with B. Bissell the preparation and provisions of the court and other material required for the property claims bar process and the legal issues relating thereto. | 1.70 | 977.50 |
| | MBR | Reviewing Marquis material and issues; email correspondence with S. Mitchell thereon and preparing email to J. Marshall, Marquis counsel, on current status. | 1.10 | 632.50 |
| | MBR | Email correspondence with S. Mitchell on results of meeting with Lagoon City landlord. | 0.10 | 57.50 |
| | MBR | Email correspondence with the Receiver on issues relating to the transportation of the Marquis yacht and costs incurred for the yacht. | 0.40 | 230.00 |
| Dec/17/14 | SFS | Working on schedules to property claims procedure order. Meeting with B. Bissell to discuss. Researching transition provisions in PPSA relating to registration under the CSRA. | 4.20 | 1,092.00 |
| | GSW | Meet with M. Rotsztain to review comments on last draft of Crawmet opinion. | 0.30 | 150.00 |
| | GSW | Prepare clean and blacklined version 3 of draft Crawmet opinion and provide same for review. | 0.45 | 225.00 |
| | GSW | Review of CSRA debenture; discussion with M. Rotsztain; Email to S. Sopic; email to M. Rotsztain; telephone call from M. Rotsztain; emails from and to S. Sopic. | 0.50 | 250.00 |
| | RJD | Meeting with B. Bissell re revisions to draft notice of motion and draft orders approving activities of the interim receiver; review of draft claims order. | 3.00 | 990.00 |
| | BB | Conference with M. Rotsztain re: issues for | 0.70 | 350.00 |

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| | | revision or to be addressed in draft claims procedure order. | | |
| | BB | Revisions to draft claims procedure order. Conferences with S. Sopic re: revisions to schedules to the order, and some revisions to same. Review of documents from the Receiver relating to claims. | 2.60 | 1,300.00 |
| | BB | E-mails to client re: draft claims procedure for review and issues arising out of same. | 0.40 | 200.00 |
| | MBR | Email correspondence on proposed communication to Marquis counsel and on various issues relating to the Marquis yacht, including costs for storage, transportation and other items; revising email to Marquis counsel; email correspondence with H. Chaiton on Marquis. | 1.50 | 862.50 |
| | MBR | Reviewing and amending draft property claims process order and reviewing changes to be made to order and forms with B. Bissell. | 2.70 | 1,552.50 |
| | MBR | Reviewing and commenting on revised draft of Crawmet security opinion; reviewing amendment and opinion issues with G. Wolfe, R. Ikeda and S. Sopic. | 1.50 | 862.50 |
| | MBR | Email correspondence with the Receiver on dealing with trust claim. | 0.30 | 172.50 |
| | MBR | Review claims process and related issues with B. Bissell. | 0.30 | 172.50 |
| | MBR | Email correspondence with the Receiver on the draft property claims bar order and on a boat slip claim; review email to Service List on December 23rd hearing. | 0.50 | 287.50 |
| Dec/18/14 | SFS | Revising schedules to property claims procedure order. Revising property claims procedure order. | 2.50 | 650.00 |
| | GSW | Receive and review materials on CSRA from S. Sopic; various emails; preparation of clean and black-lined version 4 of draft Crawmet opinion. | 0.50 | 250.00 |
| | GSW | Meet with M. Rotsztain. | 0.40 | 200.00 |
| | GSW | Prepare version 1 of Marquis opinion and provide for review. | 1.50 | 750.00 |

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| GSW | Meet with M. Rotsztain. | 0.40 | 200.00 |
| GSW | Prepare clean and black-lined version 2 of Marquis opinion. | 0.50 | 250.00 |
| GSW | Discussion with M. Rotsztain; review of security documents and mark-up as required. | 0.40 | 200.00 |
| RJD | Review of correspondence; meeting with G. Wolfe and M. Rotsztain re independent security opinion; meeting with B. Bissell to review draft second report of receiver and draft orders; revising draft claim and draft orders. | 2.30 | 759.00 |
| BB | Further work on draft Property Claims Procedure Order. Telephone calls re: revisions to same. Revisions to schedules to the Order. | 3.60 | 1,800.00 |
| BB | E-mails with members of the service list re: draft property claims procedure order. | 0.30 | 150.00 |
| BB | Revisions to draft Second Report of the Receiver. Revisions to draft Notice of Motion. Revisions to draft fee affidavit. Revisions to draft Order for fee approval, and approval of reports and actions. Revisions to draft Order for increased borrowing. | 4.20 | 2,100.00 |
| MBR | Review emails on boat slip claim and relevant court material. | 0.20 | 115.00 |
| MBR | Telephone call with S. Mitchell on outstanding matters, including Willow Beach, sale process, Marquis Yachts, property claims bar process and materials and boat slip claim. | 1.00 | 575.00 |
| MBR | Revising redraft of property claims bar order. | 0.80 | 460.00 |
| MBR | Email correspondence regarding property claims process. | 0.30 | 172.50 |
| MBR | Reviewing opinion and court material issues with G .Wolfe and R. Drake; email correspondence with S. Mitchell on draft opinion. | 0.90 | 517.50 |
| MBR | Reviewing and amending revised property claims bar order. | 0.80 | 460.00 |
| MBR | Telephone calls with H. Chaiton on motion and order issues. | 0.90 | 517.50 |

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| | MBR | Reviewing drafts of Marquis security opinion and reviewing amendments with G. Wolfe. | 1.70 | 977.50 |
| | MBR | Email correspondence with J Marshall regarding property claims bar process and future steps and proceedings relating to yacht. | 0.40 | 230.00 |
| | MBR | Reviewing issues relating to property claims bar process and documents with B. Bissell. | 0.50 | 287.50 |
| | MBR | Additional email correspondence with J. Marshall. | 0.30 | 172.50 |
| | MBR | Revising forms for property claims process and review amendments to them and order with B. Bissell and S. Sopic. | 1.50 | 862.50 |
| | MBR | Email correspondence with S Mitchell on issues relating to Willow Beach and sale process. | 0.60 | 345.00 |
| | LAK | Conduct Title Search. | 6.00 | 1,170.00 |
| Dec/19/14 | RAI | Reviewing title searches and summaries. | 0.80 | 400.00 |
| | SFS | Finalizing affidavit in support of fee approval motion. | 0.80 | 208.00 |
| | GSW | Brief review of Interest Act (Canada) Prepare clean and black-lined version 3 of Marquis opinion and email same. | 0.40 | 200.00 |
| | RJD | Meeting with B. Bissell re revised draft orders and Receiver's Report; review of Receiver's draft statement of fees. | 3.30 | 1,089.00 |
| | BB | Revisions to draft Property Claims Procedure Order and conference with M. Rotsztain re: same for property in agents' possession. | 0.70 | 350.00 |
| | BB | Revisions to draft Second Report of the Receiver. Telephone calls and e-mails with J. Henriks re: same. | 3.70 | 1,850.00 |
| | BB | Review of new proof of claim by Welstead for 30 day goods claim and e-mail to the Receiver re: issues with same. | 0.50 | 250.00 |
| | BB | Finalized my fee affidavit. Telephone call with J. Hendriks re: finalizing fee affidavit of | 0.40 | 200.00 |

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| | | the Receiver. | | |
| | BB | Telephone call with S. Mitchell re: final revisions to Second Report and interplay with sales process. Finalized Report and Motion Record. E-mail to the Service List enclosing same. | 1.20 | 600.00 |
| | MBR | Review amended Marquis opinion and related emails; review email correspondence regarding Marquis and property claims bar motion. | 1.50 | 862.50 |
| | LAK | Drafting and finalizing title report. | 2.30 | 448.50 |
| Dec/21/14 | BB | Review of draft sales process documentation from J. Hendriks and analysis of issues arising from same. Teleconference re: sales plan approval motion, and issues and timing of same. | 1.70 | 850.00 |
| | MBR | Review Marquis motion record. | 0.60 | 345.00 |
| | MBR | Review material from J. Hendriks regarding possible terms of sale process. | 0.50 | 287.50 |
| | MBR | Conference call with S. Mitchell, J. Hendriks and H. Chaiton on issues and future steps relating to property claims bar process, Marquis and sale process motion, terms and material. | 1.40 | 805.00 |
| | MBR | Telephone call with B. Bissell on sale process motion, terms and material. | 0.30 | 172.50 |
| Dec/22/14 | SFS | Finalizing schedules to property claims procedure order. | 0.40 | 104.00 |
| | BB | E-mails with R. Rothbart re: property claims procedure order and concerns of Lagoon City landlord. | 0.20 | 100.00 |
| | BB | Voice-mail to and telephone call with J. Marshall re: issues with the Marquis yacht and the claims process. | 0.40 | 200.00 |
| | BB | Review of suggested changes to property claims procedure order from H. Chaiton and review of same. Message from M. Rotsztain re: same. | 1.20 | 600.00 |
| | BB | Telephone call with S. Mitchell re: instructions on motion. | 0.30 | 150.00 |

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| | BB | Review of letter from R. Rothbart re: Lagoon City lease issues and telephone call with him re: same and re: claims procedure. Telephone call with S. Mitchell re: instructions on same. | 0.60 | 300.00 |
| | MBR | Email correspondence on claims process and sale process motions, documents and other issues; review amendments to claims process order and related emails. | 1.40 | 805.00 |
| Dec/23/14 | SFS | Attending Receiver's motion for approval of the property claims procedure order, discharge order and borrowing order. Transcribing Justice Penny's endorsement and finalizing form of order to be signed by his Honour. | 3.20 | 832.00 |
| | RJD | Preparation for and attendance at Commercial List hearing regarding property claims order, among other things. | 3.70 | 1,221.00 |
| | BB | Revisions to draft Orders (3). Attendance at Court until 12:10pm to speak to the matter in chambers, and then to negotiate endorsement language for objectors. Revisions to draft Orders. | 4.20 | 2,100.00 |
| | BB | Review of e-mails from J. Hendriks re: land ownership and layout issues. Teleconference re: issues for possible sales processes. Conference with M. Rotsztain thereafter re: logistical issues. | 1.60 | 800.00 |
| | MBR | Email correspondence on property claims process hearing and on sale process issues. | 0.80 | 460.00 |
| | MBR | Conference call with S. Mitchell, J. Hendriks and H. Chaiton on sale process, motion and documents. | 1.00 | 575.00 |
| | MBR | Telephone call with B. Bissell on sale process motion issues and materials. | 0.40 | 230.00 |
| Dec/24/14 | RJD | Receipt and review of correspondence from receiver re Word version of schedules to claims order; drafting reply enclosing same. | 0.20 | 66.00 |
| Dec/26/14 | MBR | Email correspondence with a customer on property claim procedure requirements. | 0.50 | 287.50 |
| Dec/28/14 | MBR | Email correspondence with S. Mitchell on sale process issues. | 0.30 | 172.50 |

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| Dec/29/14 | SFS | Discussing next steps in obtaining sale process order with B. Bissell. | 0.60 | 156.00 |
| | BB | Review of issues for discussion in teleconference re: possible sales process motion and participation in teleconference. | 1.40 | 700.00 |
| | BB | Telephone call with A. Fisher re: issues and evidence to look for in dealings by the companies with adjacent properties in the names of third parties. Review of title searches from August of 2014 re: same. | 0.80 | 400.00 |
| | BB | Conference with S. Sopic re: issues to address in the properties owned by third parties but funded by the debtors and in the possible sales process. Telephone call with M. Rotsztain re: same. | 0.60 | 300.00 |
| | BB | Review of property search results on premises owned by the bankrupt companies and also by members of the Crate family. | 1.30 | 650.00 |
| | MBR | Conference call with representatives of the Receiver and H. Chaiton on sale process and related issues. | 1.00 | 575.00 |
| | MBR | Telephone call with B Bissell to review required actions on sale process and real property. | 0.50 | 287.50 |
| | MBR | Email correspondence on Crawmet security opinion and Quebec issues. | 0.80 | 460.00 |
| Dec/30/14 | SFS | Discussing next steps in mapping all properties owned by the Crates and their numbered companies in the Keswick area with B. Bissell. | 0.70 | 182.00 |
| | ACR | Meet with B. Bissell and S. Sopic to discuss property issues. | 0.40 | 84.00 |
| | BB | Review of title issues with other lands owned by the Crate family. Conferences with S. Sopic and A. Rossanese re: issues for research re: same. | 1.40 | 700.00 |
| | BB | Telephone calls with M. Rotsztain re: possible strategy for claims to properties in the name of the Crate family members. Telephone call with S. Mitchell and A. Fisher re: same. | 1.20 | 600.00 |
| | BB | Review of transcript of meeting with S. Crate | 0.40 | 200.00 |

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| | | re: properties held in family names. | | |
| | MBR | Telephone conversation with B. Bissell on issues relating to sale process and adjoining lands. | 0.80 | 460.00 |
| | MBR | Email correspondence with S. Mitchell and Quebec agent on Quebec assets and searches; review search results; email correspondence with H. Chation on Crawmet security and on Quebec registrations. | 1.50 | 862.50 |
| Dec/31/14 | SFS | Working with A. Rossanese to map properties owned by the Crates. | 0.60 | 156.00 |
| | ACR | Review parcel abstracts for property owned by parties, search property registry for parties, located properties on PIN Map. | 2.00 | 420.00 |
| | BB | E-mails to A. Rossanese and S. Sopic re: review of properties. E-mails with S. Mitchell re: review of other properties and information to be gathered to review possible remedies to the estates. | 0.80 | 400.00 |
| Jan/02/15 | ACR | review parcel abstract, locate properties on PIN Map, create chart of ownership. | 2.30 | 483.00 |
| | BB | Telephone call with A. Fisher re: issues for review in books and records of Crate Marine Sales with respect to properties in the name of third parties. Analysis of information obtained so far. | 1.10 | 550.00 |
| | BB | E-mails with S. Mitchell re: review of and preliminary opinion regarding possible claims against properties owned by third parties. | 0.40 | 200.00 |
| Jan/03/15 | BB | E-mails with S. Mitchell re: allocation of expenses and timing of possible litigation regarding third party properties. | 0.20 | 100.00 |
| | MBR | Email correspondence with S. Mitchell and B. Bissell on issues relating to additional properties, Quebec assets and priorities thereon and scope of receivership order and charges; review email correspondence and documents relating to outstanding matters and motions to be brought. | 1.70 | 977.50 |
| Jan/04/15 | BB | Review of e-mails re: strategy and call to discuss same. E-mails with G. Harney re: | 0.20 | 100.00 |

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| | timing of call. | | |
| MBR | Review email correspondence and documents on, and considering issues relating to, sale process and claims against additional properties. | 1.50 | 862.50 |

OUR FEE HEREIN $99,935.50
H.S.T. on Fee 12,991.62

**FEE SUMMARY**

| | HOURS | RATE | TOTAL |
|---|---|---|---|
| Rodney A. Ikeda | 3.60 | 500.00 | $1,800.00 |
| Sanja F. Sopic | 24.00 | 260.00 | $6,240.00 |
| Andrea C. Rossanese | 4.70 | 210.00 | $987.00 |
| Georgea S. Wolfe | 15.15 | 500.00 | $7,575.00 |
| Robert J. Drake | 12.50 | 330.00 | $4,125.00 |
| R. Brendan Bissell | 64.60 | 500.00 | $32,300.00 |
| Michael B. Rotsztain | 78.40 | 575.00 | $45,080.00 |
| Lea A. Knight | 8.30 | 195.00 | $1,618.50 |

**DISBURSEMENTS:**

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| Postage | 1.60 |
| Photocopies | 880.00 |
| Courier | 11.80 |
| ESC Corp. Fee | 196.00 |
| ESC Gov't Disb. | 141.00 |
| Faxes | 2.50 |
| Teraview Search Disbursement | 1,475.00 |
| Filing motion record | 127.00 |
| Motion Record in Bankruptcy* | 50.00 |

TOTAL DISBURSEMENTS $2,884.90

H.S.T. on Disbursements $360.22

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| **TOTAL LEGAL FEE AND DISBURSEMENTS (includes $13,351.84 H.S.T.)** | **$116,172.24** |

**THIS IS OUR ACCOUNT HEREIN**

**GOLDMAN SLOAN NASH & HABER LLP**



Per: Bissell / Rotsztain

E. & O. E.

A. Farber & Partners Inc.
150 York Street
Suite 1600
Toronto, ON M5H 3S5

Attention: Stuart Mitchell

DATE: February 8, 2015
FILE NO: 143089

Suite 1600
480 University Avenue
Toronto, Ontario
M5G 1V2
Telephone: (416) 597-9922
Facsimile: (416) 597-3370
H.S.T. NO: 12233 6290 RT0001
INVOICE NO: 128562

IN ACCOUNT WITH

**GOLDMAN SLOAN NASH & HABER LLP**
BARRISTERS & SOLICITORS

**RE:** **Crate Marine Sales Limited, 1330732 Ontario Limited, 1328559 Ontario Limited, 1282648 Ontario Limited, F.S. Crate & Sons Limited, Steven Crate & Estate of Lloyd Crate**

| DATE | LAWYER | | TIME | TOTAL |
|---|---|---|---|---|
| Jan/05/15 | ACR | Completing property map, search other property. | 1.80 | 468.00 |
| | BB | Meetings with M. Rotsztain re: issues in planned stalking horse offer, possible claims over adjacent properties and preparation for motions on same. Conferences with A. Rossanese and R. Ikeda re: further review of property and title information and preparation of title opinion on enforceability of Crawmet and Powell mortgage security. | 3.60 | 1,800.00 |
| | BB | Meeting with A. Fisher re: documents and issues identified for possible claims over adjacent properties and accounting and tax issues arising from same. Review of documents. | 2.80 | 1,400.00 |
| | BB | Draft e-mail report to S. Mitchell re: tenability and advisability of claims over adjacent properties. | 0.60 | 300.00 |
| | MBR | Review with B. Bissell factual, procedural and substantive issues relating to claims against additional properties. | 0.90 | 517.50 |
| | MBR | Telephone call with H. Chaiton on sale process and agreement and on issues relating to additional properties. | 0.90 | 517.50 |
| | MBR | Review outstanding opinion and search matters and review of relevant material; email | 2.30 | 1,322.50 |

ACCOUNTS ARE DUE WHEN RENDERED
Pursuant to the Solicitors' Act interest at a rate of 3.00% per annum will be charged on amounts due, calculated commencing one month after the date of delivery of this account. Any disbursements recorded after preparation of this account will be billed at a later date.

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| | | correspondence with the Receiver on service of property claims package on PPSA registrants, including CSRA registration, and on Quebec registrants; email correspondence with Quebec agent on effect of non-registration in Quebec. | | |
| | MBR | Briefing from B. Bissell on status of Receiver's review of facts relating to additional properties and whether they are corporate assets; reviewing substantive and procedural issues on these properties with B. Bissell. | 2.40 | 1,380.00 |
| | MBR | Review material relating to credit bids. | 0.60 | 345.00 |
| Jan/06/15 | RAI | Reviewing title searches and summaries; drafting opinion; memo to clerk re additional searches. | 4.60 | 2,300.00 |
| | ACR | Finalized chart of properties owned. | 0.50 | 130.00 |
| | ACR | Discuss property issues with B. Bissell. | 0.20 | 52.00 |
| | ACR | Obtaining Transfer for R. Price and Huntley, discuss with B. Bissell. | 0.30 | 78.00 |
| | GSW | Review various accumulated emails and searches; discussion with M. Rotsztain. | 0.30 | 150.00 |
| | GSW | Meet with M. Rotsztain to discuss Crawmet opinion and various matters. | 1.30 | 650.00 |
| | RJD | Meeting with B. Bissell to discuss motions for certificates of pending litigation. | 0.80 | 264.00 |
| | BB | Telephone call with R. Jaipargas re: issues in connection with possible claims by Marquis and possible disposition of the Marquis Yacht. | 0.50 | 250.00 |
| | BB | Conference with R. Drake re: issues for claim and motions on adjacent properties. Review of title issues re: 262 The Queensway and further review re: ownership by Robin Price. | 1.20 | 600.00 |
| | BB | Telephone call with A. Garbe re: possible financial difficulties of the Belleville marina and enforcement steps that may be taken by the landlord. | 0.40 | 200.00 |
| | BB | Memorandum to S. Mitchell re: basis for claims against Crate family members for properties ostensibly held in their names, and re: procedure issues respecting same. Meeting with M. Rotsztain re: revisions to | 3.70 | 1,850.00 |

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| | MBR | memorandum. Finalized memorandum. Preparing amendments to summary of views relating to possible proceedings and remedies against adjacent properties; reviewing amendments and substantive and procedural issues with B. Bissell. | 2.30 | 1,322.50 |
| | MBR | Email correspondence with Quebec agent, G. Wolfe and the Receiver on Quebec security issues. | 0.70 | 402.50 |
| | MBR | Reviewing current status of Crawmet and Marquis security opinions. | 0.30 | 172.50 |
| | MBR | Meeting with G. Wolfe on amendments to Crawmet opinion and Quebec issues. | 1.30 | 747.50 |
| | MBR | Reviewing material relating to adjoining properties. | 0.20 | 115.00 |
| | MBR | Email correspondence with the Receiver on sale process issues. | 0.20 | 115.00 |
| | MBR | Email correspondence with the Receiver and Chaiton's on proceedings against adjoining properties and timing. | 0.80 | 460.00 |
| | MBR | Email correspondence with the Receiver on additional Quebec security issues. | 0.20 | 115.00 |
| Jan/07/15 | RAI | Reviewing title searches and summaries; continue drafting opinion; reviewing Chaiton's APA. | 4.60 | 2,300.00 |
| | SFS | Researching caselaw on a trustee or receiver bringing an oppression action. Discussing with B. Bissell. | 3.00 | 780.00 |
| | ACR | Update map and chart with Price Property. | 0.40 | 104.00 |
| | ACR | Review draft Stalking Horse Offer and check legal descriptions. | 3.00 | 780.00 |
| | ACR | Obtaining Wynhurst PINs. | 0.50 | 130.00 |
| | GSW | Preparation of clean and blacklined version of Crawmet opinion. | 1.00 | 500.00 |
| | GSW | Meet with M. Rotsztain to review various opinions. | 0.50 | 250.00 |
| | GSW | Prepare version 6 of Crawmet opinion and version 4 of Marquis opinion. | 0.40 | 200.00 |

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| GSW | Various emails regarding opinions. | 0.20 | 100.00 |
| GSW | Initial review of draft agreement of purchase and sale and mark up with comments. | 1.00 | 500.00 |
| RJD | Receipt and review of email correspondence from A. Fisher enclosing letters to Crates and accountants and lawyers re production of documents; drafting, reviewing, and revising letters to Crates, accountant, and lawyer re same; meeting with B. Bissell re same; drafting motion materials re certificate of pending litigation. | 3.80 | 1,254.00 |
| BB | E-mails with P. Crawley re: inquiry from S. Crate and response. E-mails and calls with A. Fisher and conference with R. Drake re: demand letters on persons with records of the debtor companies. | 0.30 | 150.00 |
| BB | Attendance at chambers hearing to speak to appointment not being pursued. Obtained directions re: method for seeking a CPL. | 0.80 | 400.00 |
| BB | Continued review of adjacent property issues, and e-mails and calls with Receiver re: same. E-mails with A. Fisher re: property details. Review of issues and conference with A. Rossanese re: same. | 1.80 | 900.00 |
| BB | E-mails to and telephone call with H. Chaiton re: planned application against the adjacent properties owned by Crate family members, and information forming the basis for same and any further facts within the knowledge of Crawmet and B. Spiegel. | 0.70 | 350.00 |
| BB | E-mails re: issues arising from expenses paid for the Boston Pizza location. Review of title searches re: same. | 0.60 | 300.00 |
| BB | Review of draft asset purchase agreement. Brief meeting with M. Poliak re: same. | 2.30 | 1,150.00 |
| MBR | Preparing revised stalking horse asset purchase agreement; email correspondence on amendments and receiving and incorporating comments from Receiver and working group. | 4.80 | 2,760.00 |
| MBR | Review amended Crawmet and Marquis security opinions and preparing revisions. | 0.70 | 402.50 |

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| | MBR | Reviewing opinion issues and amendments with G. Wolfe. | 0.60 | 345.00 |
| | MBR | Email correspondence on adjacent properties and proceedings. | 0.90 | 517.50 |
| | MBR | Email correspondence on additional assets for possible inclusion in asset sale agreement. | 0.70 | 402.50 |
| | MBR | Review correspondence to third parties on delivery of books and records, and related email correspondence. | 0.60 | 345.00 |
| | LAK | Prepare title search and summary and discuss with R. Ikeda. | 4.70 | 916.50 |
| Jan/08/15 | RAI | Reviewing file and notes; revising security opinion; reviewing email re additional comments on Chaiton APA. | 2.30 | 1,150.00 |
| | ACR | Review M. Rotsztain, R. Ikeda and G. Wolfe's changes to Stalking Horse offer. | 1.10 | 286.00 |
| | ACR | Review PINs and addresses for other marinas and review PINs for other lands. | 1.00 | 260.00 |
| | ACR | Call with B. Bissell and Chaiton's, email PINs to Chaitons. | 0.50 | 130.00 |
| | ACR | Prepare schedule of other lands. | 0.50 | 130.00 |
| | GSW | Prepare blacklined comments on draft agreement of purchase and sale; discussion with M. Rotsztain. | 1.75 | 875.00 |
| | GSW | Review of comments by R. Ikeda on draft APA; review of comments by M. Rotsztain on draft APA; discussion with R. Ikeda; various emails. | 0.40 | 200.00 |
| | GSW | Meet with M. Rotsztain to discuss blacklined changes to draft stalking horse offer; various emails. | 0.45 | 225.00 |
| | RJD | Drafting, reviewing, and revising motion materials for certificates of pending litigation; receipt and review of emails with receiver with regard to request for debtor documents from various lawyers; drafting same. | 10.00 | 3,300.00 |
| | BB | Preparation of draft Notice of Application. Revisions to same. Conferences with S. | 7.20 | 3,600.00 |

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| | | Sopic re: research on ability of the receiver and trustee to claim in oppression. Review of and revisions to draft Notice of Motion and Affidavit for CPL. | | |
| | BB | Review of response from P. Jones re: request for records, and further e-mail re: no need for approval by the directors of the company. | 0.40 | 200.00 |
| | BB | Telephone call with Chaiton's and A. Rossanese re: details of adjacent properties and facts known re: same. | 0.50 | 250.00 |
| | MBR | Conference call with H. Chaiton on proceedings against adjacent properties and stalking horse APA. | 0.90 | 517.50 |
| | MBR | Email correspondence with the Receiver on issues relating to adjacent properties and APA; review emails and correspondence relating to demands for books and records. | 1.50 | 862.50 |
| | MBR | Reviewing issues relating to adjacent property proceedings and stalking horse APA with B. Bissell. | 0.60 | 345.00 |
| | MBR | Preparing revised draft of stalking horse APA; receiving and incorporating comments from working group and related email correspondence; necessary review of materials relating to specific APA provisions. | 4.80 | 2,760.00 |
| Jan/09/15 | RAI | Reviewing file; conferring with A. Rossanese re possible spousal interests; email from R. Drake; reviewing additional searches; revising opinion re security; Email to M. Rotsztain. | 2.00 | 1,000.00 |
| | SFS | Confirming debtors' properties over which mortgages are held and finding corresponding parcel registers. Drafting letter to counsel for mortgagees requesting security documentation. | 2.10 | 546.00 |
| | SFS | Reviewing application and motion materials and making changes. | 0.40 | 104.00 |
| | ACR | Discussion with B. Bissell and M. Rotsztain on properties to be used in Schedule E, email Schedule E of APA to group. | 0.30 | 78.00 |
| | ACR | Discussion with R. Ikeda on permitted encumbrances and review and edit Schedule. | 0.50 | 130.00 |
| | ACR | Emails and calls with Chaiton's. | 0.20 | 52.00 |

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| GSW | Receive and review omnibus blacklined of APA from M. Rotsztain; receive and review realty opinion from R. Ikeda; conference call; various additional emails. | 0.50 | 250.00 |
| RJD | Drafting, reviewing, and revising motion materials for certificates of pending litigation; receipt and review of emails re same; meeting with B. Bissell re revisions to certificates of pending litigation; phone call with A. Direnfeld re files for debtor companies. | 3.20 | 1,056.00 |
| BB | Conferences with M. Rotsztain re: revisions to litigation documents for adjacent properties. E-mails from J. Hendriks and A. Fisher re: same, and telephone call with A. Fisher re: revisions to draft materials and corrections on the basis for the claims. | 1.80 | 900.00 |
| BB | Review of letter from J. Markin re: position of the Crates on the adjacent properties. E-mails to clients re: same. | 0.40 | 200.00 |
| BB | Review of water lease document, and e-mails with J. Hendriks re: assignability and allocation issues re: same. | 0.50 | 250.00 |
| BB | E-mails with P. Crawley re: visit by CRA auditor and information to be provided to her. | 0.20 | 100.00 |
| BB | E-mails with J. Hendriks re: lack of break fee in the proposed stalking horse agreement. | 0.30 | 150.00 |
| BB | Review of the proposed Stalking Horse agreement and comments received re: same. | 1.30 | 650.00 |
| BB | E-mails with P. Crawley and A. Fisher re: efforts to obtain the books and records of the companies other than Crate Marine Sales Limited. | 0.40 | 200.00 |
| BB | Telephone call with A. Fisher re: further records to review to attempt to determine whether the Crate family was treated as having received the funds paid for adjacent properties on an accounting or tax basis. | 0.60 | 300.00 |
| BB | E-mails re: Willow Beach location voice-mail message. | 0.30 | 150.00 |
| BB | Review of proposed non-disclosure agreement and e-mail to J. Hendriks re: same. | 0.30 | 150.00 |

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| | MBR | Reviewing and commenting on pleadings for property declaration application; reviewing legal and factual issues and amendments with B. Bissell. | 2.60 | 1,495.00 |
| | MBR | Email correspondence with counsel for yacht claimant on property claims procedure. | 0.40 | 230.00 |
| | MBR | Engaged on matters relating to stalking horse APA, including email correspondence with Receiver and Chaiton's on various issues and inclusions. | 1.90 | 1,092.50 |
| | MBR | Reviewing draft property charge opinions and discussions thereon with R. Ikeda. | 0.80 | 460.00 |
| | MBR | Review email correspondence relating to books and records demands and comments on pleadings for property recoveries. | 1.00 | 575.00 |
| | MBR | Review water lease assignment and related emails; email correspondence on possible bankruptcy applications. | 0.50 | 287.50 |
| | LAK | Update title search. | 0.40 | 78.00 |
| Jan/11/15 | ACR | Preparing permitted encumbrances schedule to APA. | 0.40 | 104.00 |
| | ACR | Call with Chaitons to review Stalking Horse offer. | 1.00 | 260.00 |
| | RJD | Revision to draft motion materials for certificate for pending litigation. | 0.80 | 264.00 |
| | MBR | Conference call with Chaiton's and the Receiver on the draft Stalking Horse APA. | 1.10 | 632.50 |
| | MBR | Email correspondence with the Receiver regarding Lagoon City developments. | 0.20 | 115.00 |
| Jan/12/15 | ACR | Obtaining York Region Map of Municipal addresses. | 0.20 | 52.00 |
| | ACR | Preparing chart of mortgages against appraisals for all properties. | 2.00 | 520.00 |
| | RJD | Finalizing motion materials regarding certificate of pending litigation; drafting factum re same. | 5.60 | 1,848.00 |
| | BB | Conference with M. Rotsztain re: further | 0.80 | 400.00 |

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| | issues for review and analysis in the proposed stalking horse asset purchase agreement, and re: options for dealing with the Lagoon City situation. | | |
| BB | Telephone calls with J. Hendriks re: requested changes to the confidentiality agreement. | 0.40 | 200.00 |
| BB | Conference with M. Rotsztain re: position and evidence on Marquis boat priority issue. E-mails with J. Marshall and S. Mitchell re: same. | 0.40 | 200.00 |
| BB | Conference with M. Rotsztain re: possible Fraudulent Conveyances and Assignments and Preferences claims. Review of same. | 0.60 | 300.00 |
| BB | Revisions to draft Notice of Application. Revisions to draft Affidavit. Revisions to draft Notice of Motion. Compilation and revisions to exhibits for certificate of pending litigation motion. E-mails and call with A. Fisher re: revisions to affidavit. E-mails and call with S. Mitchell re: refinements to the basis for the application and revisions to the draft affidavit. Finalized affidavit. | 5.40 | 2,700.00 |
| MBR | Telephone call with S. Mitchell on outstanding matters including draft APA, adjacent property litigation and Lagoon City. | 1.00 | 575.00 |
| MBR | Reviewing and commenting on several drafts of pleadings for recovery of adjacent properties; reviewing comments and issues, including sale process issues, with B. Bissell. | 2.00 | 1,150.00 |
| MBR | Email correspondence with the Receiver relating to issues raised by apparent Pride Marine arrangements with Lagoon City landlord; reviewing required material and preparing email correspondence to R. Rothbart on issues raised, review correspondence with B. Bissell. | 1.40 | 805.00 |
| MBR | Instructing A. Rossanese on information requested by Receiver on relevant parcels; reviewing such information and email correspondence. | 0.70 | 402.50 |
| MBR | Review confidentiality agreement and related emails; review email correspondence and Crawmet motion record on Marquis Yachts. | 0.70 | 402.50 |

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| Jan/13/15 | BB | Finalized Notice of Application for adjacent properties. Finalized Notice of Motion. Finalized Motion Record. | 2.40 | 1,200.00 |
| | BB | Revisions to and finalized factum for motion for certificate of pending litigation. | 2.20 | 1,100.00 |
| | BB | E-mail and call with the Commercial List Office re: timing and arrangements for motion. Preparation of draft Order and Certificate. | 0.70 | 350.00 |
| | BB | E-mails and calls re: information sought and to be provided to possible bidders and issues with same. | 1.20 | 600.00 |
| | BB | Telephone call with S. Mitchell re: meeting with B. Spiegel on issues for possible Stalking Horse motion in relation to lands that may be part of the offer. | 0.40 | 200.00 |
| | MBR | Preparing draft sales process terms and sales process order; reviewing required material. | 3.20 | 1,840.00 |
| | MBR | Email correspondence on Lagoon City, adjacent land court materials and status of APA turnaround. | 0.90 | 517.50 |
| | MBR | Review with B. Bissell issues relating to adjacent property proceedings and Stalking Horse APA. | 0.70 | 402.50 |
| | MBR | Email correspondence with B. Bissell on appraisal issues. | 0.30 | 172.50 |
| Jan/14/15 | ACR | Engaged on certificate of pending litigation. | 1.00 | 260.00 |
| | ACR | Edit Schedule A to opinion. | 0.50 | 130.00 |
| | ACR | Edit and finalize Permitted Encumbrances. | 0.60 | 156.00 |
| | GSW | Discussion with M. Rotsztain; finalization of schedules to opinions. | 0.30 | 150.00 |
| | BB | Preparation for and attendance at Court for chambers appearance on motion for order directing a certificate of pending litigation. Issued and entered Order and obtained issuance of the certificate. Letter to J. Markin enclosing same. | 3.10 | 1,550.00 |
| | BB | Meeting with S. Mitchell and A. Fisher re: issues in connection with valuation of | 1.10 | 550.00 |

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| | | adjacent lands and lands under Stalking Horse bidder agreement. Conference with M. Rotsztain re: same. Review of revised asset purchase agreement. | | |
| | BB | Conferences with A. Rossanese and review of documentation to register the certificate of pending litigation. | 0.40 | 200.00 |
| | BB | Review of issues in connection with the Lagoon City location, including current status of negotiations with the landlord, dockominium issues, and outstanding taxes. | 0.60 | 300.00 |
| | BB | Review of possible claims against members of the Crate family for amounts loaned and used by them, and of possible claims on more than debt owing. | 0.80 | 400.00 |
| | MBR | Reviewing with B. Bissell issues relating to appraisal and possible proceedings, sales process, registration of certificates of pending litigation, and proceedings on debts owed to shareholders. | 1.30 | 747.50 |
| | MBR | Review appraisal, titles, property maps and summaries. | 1.20 | 690.00 |
| | MBR | Email correspondence with the Receiver and the working group on finalization of security opinions and related matters; review these issues with G. Wolfe and A. Rossanese. | 0.80 | 460.00 |
| | MBR | Email correspondence with S. Mitchell on sales process, APA issues and further proceedings. | 0.70 | 402.50 |
| | MBR | Email correspondence on motion for certificate of pending litigation and related matters. | 0.30 | 172.50 |
| Jan/15/15 | RAI | Reviewing and revising opinions re security; email to M. Rotsztain; conferring with M. Rotsztain re additional amendments; further revisions to opinions re security; Reviewing draft offer from Chaitons; conferring with A. Rossanese; telephone call to Land Titles; reviewing electronic registration guide; instructing clerk and R. Rossanese re certificate of pending litigation. | 2.60 | 1,300.00 |
| | ACR | Review permitted encumbrances. | 0.40 | 104.00 |
| | ACR | Updating PINS. | 0.60 | 156.00 |

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| | ACR | Registered application for CPLs. | 0.50 | 130.00 |
| | GSW | Arranging to print and email copies of the opinions, prepare cover letter and send opinions by courier. | 0.45 | 225.00 |
| | BB | Review of opinions on the Crawmet and Marquis/North point security positions. E-mail to S. Mitchell and J. Hendriks re: position on Marquis motion. | 0.40 | 200.00 |
| | MBR | Preparing bid and sale process terms. | 1.50 | 862.50 |
| | MBR | Reviewing correspondence to Crate family counsel on property and certificate of pending litigation proceedings, and related material. Email correspondence thereon to the Service List. | 1.00 | 575.00 |
| | MBR | Email correspondence with the Receiver on Lagoon City matters; reviewing correspondence from landlord and its counsel. | 1.10 | 632.50 |
| | MBR | Telephone call with S. Mitchell on Lagoon City issues. | 0.30 | 172.50 |
| | MBR | Email correspondence with Chaitons and working group on stalking horse APA. | 0.40 | 230.00 |
| | MBR | Reviewing redrafts of realty property charges opinion and schedules; reviewing changes with R. Ikeda. | 0.60 | 345.00 |
| | MBR | Reviewing email correspondence relating to proceedings on Marquis yacht. | 0.20 | 115.00 |
| Jan/16/15 | RAI | Reviewing and revising opinions and mark-up copies; email to M. Rotsztain. | 1.00 | 500.00 |
| | ACR | Review tax certificate and match with parcels. | 1.00 | 260.00 |
| | GSW | Review of last blacklined draft of APA and prepare blacklined comments thereon; various emails from and to; discussion with M. Rotsztain. | 2.00 | 1,000.00 |
| | BB | Review of new e-mails and letters re: Lagoon City lease situation. E-mails with S. Mitchell and conference with M. Rotsztain re: same. | 0.70 | 350.00 |
| | BB | Review of lease and dockominium issues for | 0.70 | 350.00 |

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| | | entitlement of the Lagoon City landlord to information. E-mail to clients re: same. Further telephone call with J. Hendriks re: same. | | |
| | BB | E-mails and telephone call with S. Lavine re: adjacent property issues and re: lands owned by 2192422 Ontario Inc. Review of draft asset purchase agreement re: same. | 1.60 | 800.00 |
| | BB | Conference call with H. Chaiton, S. Mitchell and M. Rotsztain re: issues in connection with draft asset purchase agreement and adjacent properties, and e-mail to H. Chaiton re: listing of adjacent properties and mortgagees. | 0.80 | 400.00 |
| | MBR | Conference call with S. Mitchell and H. Chaiton on various aspects of the Stalking Horse credit bid. | 1.40 | 805.00 |
| | MBR | Review with B. Bissell effect of amendments to various aspects of the Stalking Horse credit bid. | 0.50 | 287.50 |
| | MBR | Review final real property charge opinions and email correspondence to the Receiver thereon. | 0.40 | 230.00 |
| | MBR | Email correspondence on various aspects of the stalking horse credit bid. | 0.40 | 230.00 |
| | MBR | Review email correspondence on matters relating to Lagoon City and boat slips. | 0.60 | 345.00 |
| | MBR | Review APA issues with G. Wolfe. | 0.20 | 115.00 |
| | MBR | Email correspondence on various issue raised by the Receiver. | 0.70 | 402.50 |
| Jan/17/15 | RJD | Receipt and review of email from S. Mitchell re responses from law firms re documents; drafting replies re same. | 0.20 | 66.00 |
| | MBR | Email correspondence with working group on Planning Act issue raised by Chaitons. | 0.30 | 172.50 |
| Jan/18/15 | MBR | Review Chaitons amended Stalking Horse APA. | 1.50 | 862.50 |
| | MBR | Email correspondence on Chaitons amended Stalking Horse APA. | 0.30 | 172.50 |
| Jan/19/15 | RAI | Reviewing email from M. Rotsztain; reviewing Chaitons APA; Conferring with A. Rossanese re Planning Act and other matters; receiving and reviewing email from G. Wolfe. | 1.00 | 500.00 |

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| SFS | Researching issues with respect to the collateral mortgage granted to Crawmet by FS Crate. | 2.50 | 650.00 |
| SFS | Updating bankruptcy service list. | 0.10 | 26.00 |
| ACR | Review Stalking Horse Offer. | 1.20 | 312.00 |
| ACR | Research Planning Act issue with mortgages. | 0.50 | 130.00 |
| ACR | Call with Chaiton's and Farber's on Stalking Horse APA issues. | 1.00 | 260.00 |
| ACR | Review changes to Stalking Horse offer with MR and draft revisions. | 2.80 | 728.00 |
| GSW | Receive and review further version of APA; consider as against last draft; prepare and review collated blacklined comments; various emails thereon. | 1.75 | 875.00 |
| BB | Telephone call with M. Law re: proposed discontinuance of lawsuit and e-mails with S. Mitchell re: same. | 0.20 | 100.00 |
| BB | Review of issues in the draft stalking horse agreement and conferences with M. Rotsztain re: same. | 1.30 | 650.00 |
| MBR | Conference call with the Receiver and Chaitons on Stalking Horse APA issues. | 1.00 | 575.00 |
| MBR | Email correspondence and telephone calls with S. Lavine, S. Mitchell and working group on APA issues. | 0.90 | 517.50 |
| MBR | Reviewing J. Hendriks and G. Wolfe APA comments. | 0.70 | 402.50 |
| MBR | Reviewing APA issues with B. Bissell and A. Rossanese. | 1.00 | 575.00 |
| MBR | Preparing APA amendments with A. Rossanese. | 2.20 | 1,265.00 |
| MBR | Instructing S. Sopic on security research and review email report. | 0.50 | 287.50 |
| MBR | Reviewing APA amendments. | 0.50 | 287.50 |
| MBR | Email correspondence with J. Carhart, counsel for Structform Central Corp., on its secured claim and property proof of claim. | 0.30 | 172.50 |

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| Jan/20/15 | SFS | Serve S. Crate and L. Marko with notice of application. | 2.50 | 650.00 |
| | ACR | Revisions to Stalking Horse Offer, meet with M. Rotsztain re further revisions. | 2.20 | 572.00 |
| | RJD | Receipt of voicemail from A. Direnfeld; phone call to A. Direnfeld re Willow Beach. | 0.30 | 99.00 |
| | BB | Teleconference with counsel for Structform re: secured claim and issues with same. Conference with M. Rotsztain re: possible issues. | 0.40 | 200.00 |
| | BB | Preparation of draft letter to counsel for Lagoon City landlord. | 0.40 | 200.00 |
| | MBR | Conference calls with counsel for Structform Central Corp on property and general claims procedures. | 0.20 | 115.00 |
| | MBR | Reviewing and amending revised stalking horse APA; meeting with A. Rossanese to amend draft; related email correspondence. | 2.60 | 1,495.00 |
| | MBR | Review material and conferences with R. Ikeda and S. Sopic on collateral issue. | 0.70 | 402.50 |
| | MBR | Review email correspondence from the Receiver on several on-going mortgage issues including apparent break-in and Lagoon City. | 0.60 | 345.00 |
| Jan/21/15 | SFS | Meeting with M. Rotsztain, B. Bissell and R. Drake to discuss drafting of Stalking Horse motion material. | 0.60 | 156.00 |
| | SFS | Researching Stalking Horse motions. | 0.80 | 208.00 |
| | ACR | Email S. Mitchell re: P. May, email P. May re: 219 Share Certificates. | 0.70 | 182.00 |
| | ACR | Conference call with H. Chaiton and S. Lavine on latest draft of Stalking Horse offer. | 1.10 | 286.00 |
| | ACR | Email review. | 0.30 | 78.00 |
| | GSW | Receive and review last draft of APA and mark up with comments; prepare and consider email to M. Rotsztain re same. | 0.40 | 200.00 |
| | RJD | Receipt and review of responses from M. Phelan, I. Morris, and M. Weinczok re lack of Debtor documents; meeting with B. Bissell re inquiries as to whether GSNH had been | 4.20 | 1,386.00 |

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| | contacted by those lawyers in response to follow-up questions; drafting summary email on efforts to S. Mitchell; drafting follow-up letter to M. Phelan and I. Morris; meeting with M. Rotsztain, B. Bissell, and S. Sopic re Receiver's Report and factum for sale process order; drafting cease and desist letter to S. Crate re trespass on Receiver's property. | | |
| BB | Conferences with M. Rotsztain re: current issues in the preparation of the asset purchase agreement and preparation of materials for motion for approval of same. Conferences with R. Drake and S. Sopic for instructions on same. | 1.20 | 600.00 |
| BB | E-mails and calls with S. Mitchell and others re: documents possibly removed, evidence of same, and options. | 0.80 | 400.00 |
| BB | Finalized letter to R. Rothbart and e-mails with S. Mitchell re: strategy with respect to Lagoon City issues and further demands for information from I. Morris and M. Weinczok and new demand for information from R. Dodick. Instructions to R. Drake re: same. | 0.50 | 250.00 |
| MBR | Reviewing R. Ikeda memo on collateral security and email correspondence on applicable issues. | 0.50 | 287.50 |
| MBR | Reviewing with B. Bissell issues relating to sale and property proof of claim processes and court material therefor. | 1.10 | 632.50 |
| MBR | Conference call with H. Chaiton and S, Lavine on outstanding APA and related issues. | 1.20 | 690.00 |
| MBR | Preparing sale process terms. | 0.60 | 345.00 |
| MBR | Reviewing material on outstanding APA issues; email correspondence with the Receiver and Chaitons on such issues; reviewing required steps, including those relating to Willow Beach. | 1.80 | 1,035.00 |
| MBR | Telephone call with S. Mitchell on Willow Beach and APA. | 0.40 | 230.00 |
| MBR | Meeting with working group on upcoming motion and material required. | 0.70 | 402.50 |
| MBR | Email correspondence on APA and related | 0.70 | 402.50 |

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| | | issues. | | |
| Jan/22/15 | SFS | Preparing and sending out demand letters regarding repayment of indebtedness to one of the numbered companies. | 1.50 | 390.00 |
| | SFS | Research on collateral mortgages. | 0.50 | 130.00 |
| | SFS | Attending meeting with client, B. Bissell and R. Drake to discuss properties adjacent to Crate marina and next steps. | 1.20 | 312.00 |
| | ACR | Meeting with A. Farber and GSNH Group. | 2.60 | 676.00 |
| | ACR | Review Stalking Horse offer. | 0.50 | 130.00 |
| | ACR | Review emails, call with Chaiton's re tax certificate. | 0.50 | 130.00 |
| | ACR | Revise APA with M. Rotsztain and send to Chaiton's and Farber. | 1.20 | 312.00 |
| | GSW | Review last draft of APA and mark up with comments; email to M. Rotsztain re same. | 0.50 | 250.00 |
| | GSW | Meet with M. Rotsztain to review and discuss comments on APA. | 0.25 | 125.00 |
| | RJD | Revising cease and desist letter; meeting with B. Bissell re same; giving instructions to serve notice of application; researching case law on specific methods of giving notice under Trespass to Property Act; meeting with S, Mitchell, A. Fisher, J. Hendriks, M. Rotsztain, B. Bissell and A. Rossanese re receivership issues including proposed stalking horse agreement and possible litigation matters; conducting property searches on Crate properties; drafting reporting letters to Receiver re same. | 9.10 | 3,003.00 |
| | BB | Meeting with clients re: issues arising from the draft asset purchase agreement and Stalking Horse procedures, and issues for further review for possible claims and steps to take to preserve rights in connection with same. Meeting thereafter with S. Sopic and R. Drake to execute on required steps. Receipt and review of letter from J. Markin. | 5.20 | 2,600.00 |
| | MBR | Reviewing with B. Bissell issues relating to securing books and records; reviewing email correspondence thereon and with respect to property declaration litigation. | 0.70 | 402.50 |

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| | MBR | Reviewing further amended APA; email correspondence thereon; reviewing amendments with G. Wolfe. | 1.60 | 920.00 |
| | MBR | Telephone call with S. Lavine on APA issues. | 0.20 | 115.00 |
| | MBR | Preparing for meeting, including reviewing timeline and sale process issues. | 0.60 | 345.00 |
| | MBR | Meeting with representatives of the Receiver on sale process, APA and related issues. | 2.50 | 1,437.50 |
| | MBR | Preparing APA revisions based on comments received at meeting. | 3.50 | 2,012.50 |
| | MBR | Reviewing APA amendments with A. Rossanese; reviewing amended draft and related email correspondence. | 1.30 | 747.50 |
| | MBR | Briefing from B. Bissell on balance of meeting with the Receiver. | 0.30 | 172.50 |
| Jan/23/15 | SFS | Following up with counsel for Cesaroni Management regarding total indebtedness. Finalizing demand letters to Crates. | 0.40 | 104.00 |
| | ACR | Telephone call with Chaitons and A. Farber on outstanding APA issues. | 1.20 | 312.00 |
| | ACR | Email P. May. | 0.20 | 52.00 |
| | ACR | Email Farber's re: Tax Certificate and call from Chaitons. | 0.20 | 52.00 |
| | ACR | Review emails. | 0.30 | 78.00 |
| | RJD | Drafting records request letter to Baker Schneider re Boston Pizza property; drafting records request letter and response to account inquiry to Brian Miller; drafting emails to Receiver re state of affairs of demand letters; phone call with B. Bissell re motion to compel examination; phone call with S. Sopic re: possible motion to compel examination; drafting emails to S. Sopic re same. | 3.50 | 1,155.00 |
| | BB | Review of e-mails and telephone calls with clients re: attendance at residence to search for goods. Review of further e-mails re: prior removal of records and equipment and availability of such information on the record. | 0.70 | 350.00 |
| | BB | Review of Fidelity Insurance policies and exclusions of coverage. E-mail re: difficulties with same for actions and omissions of the | 0.70 | 350.00 |

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| | | Crate personnel as management. | | |
| | MBR | Conference call with S. Mitchell and Chaitons on outstanding APA issues. | 1.90 | 1,092.50 |
| | MBR | Email correspondence with S. Mitchell and Chaitons on APA issues. | 0.70 | 402.50 |
| | MBR | Reviewing material and correspondence regarding property claims, tracing of corporate funds, books and records retrieval and mortgagees' statements; email correspondence thereon. | 2.40 | 1,380.00 |
| | MBR | Reviewing sales process material. | 0.30 | 172.50 |
| Jan/24/15 | SFS | Reviewing email correspondence and drafting third report of the receiver. Drafting notice of motion and orders. | 4.20 | 1,092.00 |
| | RJD | Receipt and review of emails from Receiver re possible motion to compel examination; drafting replies re same. | 0.50 | 165.00 |
| | BB | E-mails with P. Crawley re: issues of confidence for information provided to the Receiver. | 0.60 | 300.00 |
| | MBR | Telephone call with S. Mitchell on redraft of APA to reflect recent discussions. | 0.30 | 172.50 |
| | MBR | Preparing revised APA and reviewing required material; related email correspondence. | 2.70 | 1,552.50 |
| Jan/25/15 | B/R | E-mails with C. Mills re: secured creditor claims of Stuctform. | 0.20 | 0.00 |
| | RJD | Receipt and review of draft Receiver's 3rd report and notice of motion; revising same; drafting email to B. Bissell re review of same. | 2.20 | 726.00 |
| | MBR | Preparing sales process bid terms and sales process order. | 1.80 | 1,035.00 |
| Jan/26/15 | SFS | Drafting notice of motion for Stalking Horse bid and third report of the Receiver. | 2.90 | 754.00 |
| | SFS | Preparing motion record for motion to compel persons to turn over documents to the Receiver. Making B. Bissell's changes to the draft notice of motion and third report. | 1.20 | 312.00 |

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| SFS | Telephone call to E. Bisceglia regarding amounts owed to Cesaroni Management. | 0.10 | 26.00 |
| SFS | Answering emails from R. Crate, L. Marko and S. Crate regarding indebtedness to 1382415 Ontario Ltd. | 0.10 | 26.00 |
| SFS | Updating Crate Marine service list with information of PPSA registrants. | 0.20 | 52.00 |
| ACR | Check internal references in the Stalking Horse Offer. | 0.50 | 130.00 |
| ACR | Review M. Rotsztain changes to the Stalking Horse and review emails. | 0.60 | 156.00 |
| ACR | Letter to P. May re: Share Certificates. | 0.40 | 104.00 |
| RJD | Receipt and review of revised motion materials; receipt of correspondence from Receiver re motion materials; meeting with B. Bissell and M. Rotsztain re status of stalking horse bid; meeting with A. Rossanese re demand letter to lawyer holding share certificates; receipt and review of email from T. Phelan re transactions; drafting email to S. Mitchell re same. | 2.60 | 858.00 |
| BB | Review of draft notice of motion and report re: documents and items removed. Conference with M. Rotsztain re: strategy with respect to same. Review of reports by P. Crawley re: information obtained. | 1.30 | 650.00 |
| BB | Review of response from L. Crate re: demand for outstanding amounts and e-mail re: suggested reply. | 0.20 | 100.00 |
| BB | E-mail from R. Rothbart re: discussions with Lagoon City landlord and chattels at the premises. E-mails with clients re: same. | 0.40 | 200.00 |
| BB | Review of sales timeline issues and draft order. Conferences with M. Rotsztain and R. Drake re: preparation of sales approval motion materials. Review of timeline outline from Farber. | 0.80 | 400.00 |
| BB | Review of correspondence from and to R. Crate re: amounts outstanding, and of letter from A. Garbe re: same. Instructions to S. Sopic on reply. | 0.40 | 200.00 |
| BB | Revisions to draft motion materials re: records | 0.60 | 300.00 |

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| | | and inventory apparently removed. | | |
| | MBR | Conference call with S. Mitchell and Chaitons on outstanding APA issues. | 1.20 | 690.00 |
| | MBR | Email correspondence with the Receiver and with working group on APA, schedules, sales process, motion and timeline issues and documents. | 1.50 | 862.50 |
| | MBR | Meeting with working group and reviewing with B. Bissell status of APA, motion and material and outstanding books and records and property demands and proceedings. | 0.80 | 460.00 |
| | MBR | Revising sales process terms and order and related email correspondence. | 1.50 | 862.50 |
| | MBR | Reviewing outstanding matters relating to APA, sales process and motion. | 0.60 | 345.00 |
| | MBR | Reviewing APA and share certificate issues with A. Rossanese. | 0.30 | 172.50 |
| | MBR | Reviewing Receiver's summary of activities. | 0.20 | 115.00 |
| | MBR | Reviewing real property charges. | 0.40 | 230.00 |
| | MBR | Reviewing email correspondence on Lagoon City landlord discussions; reviewing asset listings and email on property claim. | 0.50 | 287.50 |
| | MBR | Reviewing APA as amended by Chaitons; email correspondence thereon with S. Mitchell; email correspondence to Chaitons with comments and review APA changes with A. Rossanese. | 0.90 | 517.50 |
| | MBR | Reviewing email correspondence on APA related matters and on motion to compel production of documents. | 0.40 | 230.00 |
| Jan/27/15 | SFS | Sending follow up letter to R. Crate and A. Garbe. | 0.20 | 52.00 |
| | SFS | Email correspondence regarding possible motion for examination. Updating service list. | 0.50 | 130.00 |
| | SFS | Conducting research for Stalking Horse factum. | 0.50 | 130.00 |
| | ACR | Email re: permitted encumbrance issue. | 0.30 | 78.00 |
| | ACR | Review Planning Act issues and material for | 2.00 | 520.00 |

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| | mortgages. | | |
| ACR | Obtaining PINs for R. Drake. | 0.20 | 52.00 |
| ACR | Emails on outstanding matters. | 0.20 | 52.00 |
| RJD | Drafting letters to T. Phelan and A. Wood regarding production of their documents; drafting, reviewing, and revising notice of application; notice of motion; receiver's report, and factum for certificate of pending litigation against Belleville property; drafting chart listing properties owned by the Crates and dates of transfer. | 5.50 | 1,815.00 |
| BB | Conference with R. Drake re: service issues. E-mails with S. Mitchell re: same and re: possible litigation steps on the application with respect to adjacent properties. | 0.60 | 300.00 |
| BB | Analysis of issues for possible claims against the Highland Ave. house in Belleville. E-mail to client re: same. Telephone call with S. Mitchell re: details of transactions involving R. Crate and issues arising from same. | 1.20 | 600.00 |
| BB | Further work on motion re: items and documents allegedly removed. E-mails with the Court re: available hearing times. Finalized motion. E-mails with P. Crawley re: changes in underlying facts and requirement to revise the motion. | 0.70 | 350.00 |
| BB | Review of issues for Receiver's evaluation of the reasonableness of the credit bid and other consideration in the proposed Stalking Horse agreement. Review of real estate appraisal Values obtained by the companies. Analysis of valuation issues. Conferences with M. Rotsztain re: same. Lengthy telephone call with client re: same. | 3.80 | 1,900.00 |
| BB | Review of documentation in connection with the Crawmet claimed indebtedness. | 0.40 | 200.00 |
| MBR | Reviewing further amended APA and draft schedules; email correspondence with the Receiver and working group on APA issues. | 2.50 | 1,437.50 |
| MBR | Email correspondence on proceeding with various claims, motion and demands. | 1.10 | 632.50 |
| MBR | Reviewing draft of Receiver's APA valuation | 0.50 | 287.50 |

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| | | analysis; reviewing related material. | | |
| | MBR | Conference call with S. Mitchell and J. Hendriks to review and discuss APA valuation analysis. | 1.80 | 1,035.00 |
| | MBR | Reviewing material provided on Crawmet and Powell advances; related email correspondence. | 1.00 | 575.00 |
| | MBR | Reviewing material and email correspondence on various matters, including amended service list, travel lift lease, property claims, abutting lands, books and records recovery and Lagoon City. | 1.50 | 862.50 |
| | MBR | Revising sale process terms and order and related email correspondence. | 0.70 | 402.50 |
| Jan/28/15 | ACR | Email client on tax certificates. | 0.20 | 52.00 |
| | ACR | Emails re Planning Act, review Planning Act issues. | 0.80 | 208.00 |
| | GSW | Receive and review additional loan materials relating to 2012 replacement Crawmet loan; review of original loan materials; discussion with M. Rotsztain and related email correspondence. | 0.50 | 250.00 |
| | GSW | Prepare blacklined versions 8 - 12 of the revised Crawmet opinion and discuss draft of same with M. Rotsztain; prepare omnibus blacklined of changes and provide as required. | 3.00 | 1,500.00 |
| | RJD | Drafting, reviewing, and revising notice of motion, application, and factum for certificate of pending litigation against R. Crate; phone calls to I. Morris, D. Wood, and M. Weinczock re documents belonging to the insolvent companies; conference calls with A. Fisher and B. Bissell re CPL materials; drafting reporting emails to client re same. | 4.70 | 1,551.00 |
| | BB | E-mails with P. Crawley and S. Mitchell re: possible motion with respect to items and documents allegedly removed and further review required for same. | 0.20 | 100.00 |
| | BB | Report to S. Mitchell re: status of service of the application on the adjacent properties. Report to S. Mitchell re: status and | 2.40 | 1,200.00 |

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| | recommended procedure for similar application re: 14 Highland Ave. in Belleville. Review of and revisions to draft Affidavit, Notice of Motion and Notice of Application re: same. Telephone calls and e-mails with A. Fisher and S. Mitchell re: finalizing materials. | | |
| BB | Review of issues and inventory/equipment lists for the Lagoon City location. Preparation of draft letter to R. Rothbart re: same and conference with M. Rotsztain. | 1.70 | 850.00 |
| BB | Review of e-mails from S. Crate and L. Marko re: demand made in respect of amounts owing to 1382415 Ontario Ltd. Analysis of strategy with respect to same. E-mails to and call with S. Mitchell re: enforcement options and pros and cons of same. Conference with M. Rotsztain re: same. | 1.40 | 700.00 |
| BB | Review of issues in connection with mortgages registered by Cesaroni, Romith and Uplands against corporately owned lands and adjacent lands. Review of Planning Act issues re: same. E-mails to E. Bisceglia re: collateral for Cesaroni mortgages. | 0.40 | 200.00 |
| BB | E-mails with M. Law and M. Manning re: dismissal of the claims against Crate Marine Sales by Stein. | 0.20 | 100.00 |
| MBR | Reviewing additional Crawmet loan documents; reviewing and preparing opinion amendments with G. Wolfe; email correspondence to the Receiver on restated opinion. | 1.50 | 862.50 |
| MBR | Reviewing Irwin Jacobs property claim, attachments and search and email correspondence with the Receiver thereon. | 1.00 | 575.00 |
| MBR | Email correspondence on attempts to locate Willow Beach shares. | 0.30 | 172.50 |
| MBR | Amending correspondence to Lagoon City landlord counsel and reviewing changes with B. Bissell. | 0.40 | 230.00 |
| MBR | Email correspondence on information requests to Cesaroni counsel. | 0.30 | 172.50 |

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| | MBR | Email correspondence with the Receiver on APA schedules and other APA matters. | 0.40 | 230.00 |
| | MBR | Reviewing with B. Bissell issues relating to APA, sales process motion and material and pursuit of various claims. | 0.70 | 402.50 |
| | MBR | Reviewing status of matters relating to APA, sales process motion and ancillary matters. | 0.30 | 172.50 |
| Jan/29/15 | ACR | Email P. May on Willow Beach documents. | 0.40 | 104.00 |
| | RJD | Drafting email to R. Crate re CPL motion; phone call with R. Crate re same; receipt and review of correspondence from R. Crate's lawyers re CPL motion; drafting responses to same serving motion materials; finalizing factum for CPL motion; phone call to I. Morris re documents related to the receivership; phone call to D. Wood re same; drafting reporting emails to S. Mitchell re same; preparation of draft order and certificate of pending litigation. | 5.20 | 1,716.00 |
| | BB | Telephone call with and e-mails with R. Crate, and A. Garbe re: 14 Highland Ave., Belleville property and CPL sought re: same, and non-opposition to motion. E-mail to the Court re: motion. Finalized Motion Record. Preparation for motion. | 1.40 | 700.00 |
| | BB | Teleconference with A. Fisher and S. Mitchell re: issues in connection with dealings between Crate Marine Sales Limited and Crate Belleville Inc., flow of funds to Boston Pizza, and possible remedies re: same. Further e-mails and review of documents. Telephone call with A. Garbe re: issues in connection with the Belleville marina. | 2.40 | 1,200.00 |
| | BB | Conference with R. Drake re: results of interview with Dickson Wood. | 0.40 | 200.00 |
| | BB | E-mails with S. Crate and G. Ferguson re: requests for access to corporate documents. | 0.40 | 200.00 |
| | BB | Analysis of further information to try to obtain with respect to Application for adjacent properties. Review of corporate, property and PPSA searches re: Boston Pizza land holdings, corporate arrangements, and financing. | 1.10 | 550.00 |

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| | BB | Telephone call with E. Bisceglia re: issues in connection with Cesaroni mortgage. E-mail re: same. E-mail to C. Prophet re: Uplands and Romith mortgages. Reports to S. Mitchell re: same. | 0.60 | 300.00 |
| | BB | Telephone call with J. Hendriks re: valuation and analysis issues for Report on the proposed Stalking Horse agreement. Work on draft Report. Review of revised valuation analysis by J. Hendriks. | 1.70 | 850.00 |
| | MBR | Review email correspondence on outstanding matters relating to claims and books and records being pursued. | 1.10 | 632.50 |
| Jan/30/15 | ACR | Registration of Belleville CPL. | 1.00 | 260.00 |
| | BB | Preparation for and attendance at Court for Order and Certificate of Pending litigation over 14 Highland Ave. in Belleville. | 2.10 | 1,050.00 |
| | BB | Telephone calls with S. Mitchell and H. Chaiton re: timing issues for motion to seek approval of the Stalking Horse agreement and re: proof of indebtedness to Powell and Crawmet. Conference with M. Rotsztain re: same. Review of further e-mails and documentation from Chaitons re: proof of indebtedness. | 1.20 | 600.00 |
| | BB | E-mails with R. Crate re: possible without prejudice discussions. | 0.20 | 100.00 |
| | BB | E-mails with J. Hendriks re: issues in connection with claims for trust funds and disallowance of claims. Review of claim of P. Tobey. | 0.30 | 150.00 |
| | MBR | Reviewing email correspondence on APA, security review matters and property proofs of claim. | 1.20 | 690.00 |
| | MBR | Reviewing Receiver's updated APA valuation analysis. | 0.50 | 287.50 |
| | MBR | Telephone conversation with B. Bissell on APA and sales process motion issues. | 0.50 | 287.50 |
| | MBR | Reviewing Crawmet proofs of claim. | 0.30 | 172.50 |
| Jan/31/15 | BB | Conference call re: Receiver's valuation analysis for stalking horse agreement and issues with same. | 1.10 | 550.00 |

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| | MBR | Conference call with S. Mitchell and J. Hendriks on Receiver's APA valuation analysis and sales process motion and report. | 1.20 | 690.00 |
| Feb/01/15 | BB | E-mails with P. Crawley re: review of indebtedness claimed by Crawmet and Powell and other investigations. Further work on draft Report for stalking horse agreement. | 2.80 | 1,400.00 |
| Feb/02/15 | SFS | Working on third report of receiver. | 1.90 | 494.00 |
| | RJD | Telephone calls with T. Phelan re files of debtor companies under his power, possession, or control; meeting with B. Bissell re same; drafting reporting emails to S. Mitchell. | 1.30 | 429.00 |
| | BB | Continued work on draft third report. | 1.30 | 650.00 |
| | BB | E-mails with S. Mitchell and J. Hendriks re: various property proofs of claim forms and issues. | 0.50 | 250.00 |
| | BB | Conferences with S. Sopic and R. Drake re: revisions to report on Receiver's activities and re: review of information and documentation obtained re: Boston Pizza transactions. E-mails with J. Markin re: appointment to act for all named respondents in the adjacent property litigation. | 0.40 | 200.00 |
| | BB | Conference with M. Rotsztain re: issues in proof of Crawmet's debt claims. | 0.30 | 150.00 |
| | BB | Telephone call with A. Fisher re: issues for interview with D. Wood. | 0.30 | 150.00 |
| | MBR | Reviewing email correspondence on outstanding matters, including Highland proceedings and certificate of pending litigation, Lagoon City, Willow Beach, Boston Pizza, books and records recovery, CRA, HST and property claims. | 1.80 | 1,035.00 |
| | MBR | Reviewing Crawmet claims, attachments and other material filed in support of its claims; reviewing Receiver's summary of verification efforts; review issues with B. Bissell; email correspondence to the Receiver with comments regarding verification efforts and related issues. | 3.80 | 2,185.00 |

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| | MBR | Telephone call with S. Mitchell on Crawmet advances verification and related issues. | 0.40 | 230.00 |
| Feb/03/15 | RAI | Conferring with M. Rotsztain re Charge No. YR2077245. | 0.30 | 150.00 |
| | BB | Telephone call with C. Prophet re: other security for the Uplands and Romith mortgages. | 0.20 | 100.00 |
| | BB | Teleconference with H. Chaiton and M. Poliak re: issues in finalizing Stalking Horse agreement terms, draft sales and bid process documents, and issues arising from review of the Crawmet indebtedness. | 1.60 | 800.00 |
| | BB | E-mails and telephone call with S. Mitchell re: contact by J. Markin and S. Crate with K. Nicholson. Letter to J. Markin re: same. Preparation of draft letter from S. Mitchell to S. Crate. Further e-mails with J. Markin re: same. | 1.20 | 600.00 |
| | BB | Further work on draft report. Review of agreement, and sales terms. | 1.40 | 700.00 |
| | MBR | Email correspondence with H. Chaiton on APA and sales process. | 0.20 | 115.00 |
| | MBR | Telephone call with S. Mitchell on APA, sales process, report and motion issues and contact to deponent made by Crate counsel. | 0.40 | 230.00 |
| | MBR | Reviewing with R. Ikeda issues relating to $7 million Crawmet charge. | 0.30 | 172.50 |
| | MBR | Conference call with H. Chaiton and M. Poliak on APA, sales process, secured creditor advances and outstanding proceedings. | 1.50 | 862.50 |
| | MBR | Email correspondence with the Receiver to report on call with Chaitons; reviewing issues with B, Bissell. | 0.60 | 345.00 |
| | MBR | Reviewing claims and material regarding secured creditor advances and related email correspondence. | 3.70 | 2,127.50 |
| Feb/04/15 | SFS | Editing and adding to summary of Receiver's activities for receiver's third report. | 1.60 | 416.00 |
| | BB | Memorandum to M. Rotsztain re: possible drafting issues in the Stalking Horse agreement. | 0.60 | 300.00 |

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| | BB | Telephone calls with H. Chaiton, M. Poliak, and S. Mitchell re: timing of motion to seek approval of the Stalking Horse agreement, and issues with same. | 1.40 | 700.00 |
| | BB | Telephone call with S. Mitchell re: issues in connection with possible claims for funds paid in respect of Boston Pizza. | 0.30 | 150.00 |
| | BB | Further work on draft Report. E-mails re: same. | 8.70 | 4,350.00 |
| | MBR | Email correspondence with the Receiver's and Chaitons on verification of secured debt amounts and terms and on outstanding matters and material; reviewing claims and material provided and preparing summaries. | 3.80 | 2,185.00 |
| | MBR | Conference call with the Receiver and Chaitons on outstanding APA, sales process and verification of secured debt issues. | 0.90 | 517.50 |
| | MBR | Reviewing with B. Bissell issues relating to APA, sales process motion and material and verification of secured debt amounts and terms. | 0.70 | 402.50 |
| | MBR | Revising sales process terms and order and related email correspondence. | 1.90 | 1,092.50 |
| | MBR | Telephone call with M. Poliak on issues relating to verification of secured debt terms. | 0.20 | 115.00 |
| | MBR | Email correspondence on various claims and assets and on scheduling of sales process motion. | 0.40 | 230.00 |
| Feb/05/15 | SFS | Reviewing and updating draft third report of the Receiver. | 1.70 | 442.00 |
| | ACR | Review Planning Act and Opinion on Charges with R. Ikeda. | 0.60 | 156.00 |
| | GSW | Meet with M. Rotsztain; Prepare clean and blacklined version of amended Crawmet opinion. | 0.40 | 200.00 |
| | RJD | Receipt and review of Boston Pizza materials, including unanimous shareholder agreement and financials of Landco and Opco; meeting with B. Bissell re same; conference call with B. Bissell and S. Mitchell re same. | 4.30 | 1,419.00 |

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| | BB | Telephone call with S. Mitchell re: issues in connection with Boston Pizza loans or investments. Review of same and available documents and conference with R. Drake re: items to review further. Review of PPSA searches on 2186015 and 2186018 Ontario Inc. and e-mails re: same. | 1.60 | 800.00 |
| | BB | Review of and suggested revisions to draft stalking horse agreement. Revisions to draft Third Report. E-mails and calls with J. Hendriks, S. Mitchell and M. Rotsztain re: same. | 5.70 | 2,850.00 |
| | BB | Conferences with M. Rotsztain re: issues in connection with the Crawmet and Powell secured claims. Review of documentation with respect to same. | 2.30 | 1,150.00 |
| | MBR | Review B. Bissell's APA comments and preparing revisions. | 0.50 | 287.50 |
| | MBR | Reviewing Receiver's draft updated sales timeline and APA valuation analysis. | 0.40 | 230.00 |
| | MBR | Reviewing draft Receiver's sales process report and preparing revisions and comments. | 3.80 | 2,185.00 |
| | MBR | Reviewing with G. Wolfe and A. Rossanese required revisions for restated security opinions. | 0.60 | 345.00 |
| | MBR | Telephone call with S. Mitchell on report, APA and motion. | 0.30 | 172.50 |
| | MBR | Reviewing additional material provided in connection with Powell and Crawmet secured claims; preparing summaries and email correspondence on the claims with the Receiver and Chaitons. | 2.90 | 1,667.50 |
| | MBR | Preparing additional report revisions. | 0.40 | 230.00 |
| | MBR | Reviewing with B. Bissell issues relating to report, motion and APA. | 0.70 | 402.50 |
| | MBR | Email correspondence on issues relating to APA and sales process material. | 0.50 | 287.50 |
| Feb/06/15 | SFS | Working on motion record for motion to approve Stalking Horse sales process and receiver's activities. | 2.10 | 546.00 |

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| ACR | Updating opinion to remove Planning Act qualification from Charge Opinion, review with M. Rotsztain and forward clean and blacklined of opinion update. | 3.00 | 780.00 |
| RJD | Receipt and review of correspondence from T. Phelan re transfer of Boston Pizza lands; meeting with B. Bissell re same; forwarding same to S. Mitchell; review of transfers regarding mortgage on sales office linked to Crate Marina properties. | 3.50 | 1,155.00 |
| BB | Telephone call with S. Mitchell re: revisions to draft Third Report, procedure for obtaining authority for the trustee to sign the Stalking Horse offer, and valuation issues. | 3.20 | 1,600.00 |
| BB | Revisions to draft Report. Conference with M. Rotsztain re: issues with respect to review of the debt in the credit bid and revisions re: same. | 3.60 | 1,800.00 |
| BB | E-mails with J. Hendriks and M. Rotsztain re: effect of the vesting order on third party equipment other than boats. | 0.40 | 200.00 |
| MBR | Reviewing required APA changes; related email correspondence. | 0.70 | 402.50 |
| MBR | Telephone call with S. Lavine on APA changes. | 0.30 | 172.50 |
| MBR | Reviewing additional material provided on secured debt advances; related email correspondence. | 2.50 | 1,437.50 |
| MBR | Telephone call with M. Poliak on additional secured debt advance material. | 0.50 | 287.50 |
| MBR | Telephone call with S. Mitchell on draft Third Report. | 0.80 | 460.00 |
| MBR | Preparing revisions to draft Third Report with B. Bissell. | 1.50 | 862.50 |
| MBR | Reviewing with B. Bissell issues relating to sales process, motion and APA. | 0.70 | 402.50 |
| MBR | Telephone call with J. Hendriks on sales process and report issues. | 0.20 | 115.00 |
| MBR | Reviewing amended realty charge opinions and related email correspondence. | 0.40 | 230.00 |

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| | MBR | Reviewing drafts of Receiver's APA valuation analysis. | 0.40 | 230.00 |
| | MBR | Preparing revisions to sales process terms. | 0.30 | 172.50 |
| | MBR | Further email correspondence on APA and report amendments. | 0.70 | 402.50 |
| Feb/07/15 | BB | Telephone call with H. Chaiton re: issues and revisions to the Asset Purchase Agreement and consequential changes to the draft Report. Revisions to same and e-mail re: same. | 0.70 | 350.00 |
| | BB | Conferences with M. Rotsztain re: revisions to Third Report. E-mails with S. Mitchell, H. Chaiton and M. Rotsztain re: possible further changes to the stalking horse offer. Review of Receiver's analysis of purchase price. Revisions to draft Notice of Motion. Review of draft Order. Telephone calls and e-mails re: issues with possible later closing dates and options for resolving same. | 4.30 | 2,150.00 |
| | MBR | Reviewing updated draft Third Report. | 1.30 | 747.50 |
| | MBR | Telephone call with B. Bissell to provide comments on draft report. | 0.50 | 287.50 |
| | MBR | Email correspondence and telephone calls with M. Poliak on APA amendments; reviewing amended drafts and additional email correspondence. | 1.80 | 1,035.00 |
| | MBR | Revising sales process terms and order and related email correspondence. | 1.50 | 862.50 |
| | MBR | Email correspondence on outstanding APA, report and sales process issues. | 1.50 | 862.50 |
| | MBR | Reviewing execution copy of APA and schedule, and related email correspondence. | 0.50 | 287.50 |
| Feb/08/15 | RJD | Receipt and review of correspondence from S. Mitchell and other Receiver employees re Stalking Horse agreement and motion for sales process; receipt and review of multiple drafts of stalking horse agreement. | 2.00 | 660.00 |
| | BB | Revisions to draft Order, Motion Record, Notice of Motion, draft sales terms, and draft Receiver's report. E-mails and calls with S. Mitchell re: confidentiality and sealing issues. Finalized report and motion record. E-mails | 4.10 | 2,050.00 |

| | | | |
|---|---|---|---|
| | to the service list re: Motion Record. E-mail to S. Mitchell re: confidential appendices. | | |
| MBR | Email correspondence with the Receiver, Chaitons and B. Bissell on execution of APA and on finalization of Third Report and motion record, including sales terms and order. | 1.70 | 977.50 |

| | |
|---|---|
| OUR FEE HEREIN | $239,686.00 |
| H.S.T. on Fee | 31,159.18 |

| FEE SUMMARY | HOURS | RATE | TOTAL |
|---|---|---|---|
| Rodney A. Ikeda | 18.40 | 500.00 | $9,200.00 |
| Sanja F. Sopic | 32.80 | 260.00 | $8,528.00 |
| Andrea C. Rossanese | 45.70 | 210.00 | $9,597.00 |
| Georgea S. Wolfe | 17.35 | 500.00 | $8,675.00 |
| Robert J. Drake | 73.30 | 330.00 | $24,189.00 |
| R. Brendan Bissell | 146.70 | 500.00 | $73,350.00 |
| Michael B. Rotsztain | 178.90 | 575.00 | $102,867.50 |
| Lea A. Knight | 5.10 | 195.00 | $994.50 |

**DISBURSEMENTS:**

| | |
|---|---|
| Photocopies | 778.25 |
| Courier | 242.86 |
| Faxes | 6.25 |
| Omega Process Servers Fees | 78.00 |
| Teraview Electronic Registration Expense | 30.00 |
| Teraview Search Disbursement | 2,338.00 |
| Omega Process Servers Disbursements * | 7.00 |
| Document Registration * | 180.00 |
| Notice of Application | 181.00 |
| Filing Motion Record | 127.00 |
| Pay invoice # 2950 | 315.00 |
| Issue Notice of Application* | 181.00 |
| File Motion Record | 127.00 |

A. Farber & Partners Inc.

February 8, 2015
Invoice: 128562

| | |
|---|---|
| TOTAL DISBURSEMENTS | $4,591.36 |
| H.S.T. on Disbursements | $549.04 |
| **TOTAL LEGAL FEE AND DISBURSEMENTS (Includes $31,708.22 H.S.T.)** | **$275,985.58** |

**THIS IS OUR ACCOUNT HEREIN**

**GOLDMAN SLOAN NASH & HABER LLP**

Per: Bissell / Rotsztain

E. & O. E.

This is **Exhibit "B"** referred to in the Affidavit of R. Brendan Bissell sworn before me this 6th day of March, 2015

A Commissioner etc.

# IN THE MATTER OF A. FARBER & PARTNERS INC. AND CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED, 1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED, 1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD. and 1382416 ONTARIO LTD.

## SUMMARY OF ACCOUNTS OF GOLDMAN SLOAN NASH & HABER LLP

| Invoice No. | Date | Period Ending | Hours | Fees | Disburse-ments | HST | Total |
|---|---|---|---|---|---|---|---|
| 126930 | Jan 7, 2015 | Jan 4, 2015 | 211.25 | $99,935.50 | $2,884.90 | $13,351.84 | $116,172.24 |
| 128562 | Feb 8, 2015 | Feb 8, 2015 | 518.25 | $239,686.00 | $4,591.36 | $31,708.22 | $275,985.58 |
| | | Total | 729.50 | $339,621.50 | $7,476.26 | $45,060.06 | $392,157.82 |

**IN THE MATTER OF THE RECEIVERSHIP OF**
**CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED,**
**1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED,**
**1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.**

Commercial List File No. 14-CV-10798-00CL

**ONTARIO**
**SUPERIOR COURT OF JUSTICE**
**(COMMERCIAL LIST)**
**Proceedings commenced at**
**Toronto**

# AFFIDAVIT OF R. BRENDAN BISSELL


**GOLDMAN SLOAN NASH & HABER LLP**
480 University Avenue, Suite 1600
TORONTO, ON M5G 1V2
Fax: 416-597-3370

**Michael B. Rotsztain** (LSUC #: 17086M)
Tel: 416-597-7870
Email: rotsztain@gsnh.com

**R. Brendan Bissell** (LSUC #: 40354V)
Tel: 416-597-6489
Email: bissell@gsnh.com

Lawyers for A. Farber & Partners Inc. in its capacity as the Court appointed Receiver of Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited 1282648 Ontario Limited, 1382415 Ontario Ltd., and 1382416 Ontario Ltd.

# TAB I

**CRATE MARINE SALES LIMITED ET AL.**
**RECEIVERSHIP CASH FORECAST**

| | February 18 to March 31, 2015 |
|---|---|
| | $ |
| **RECEIPTS** | |
| BMO | 2,400 |
| Accounts Receivable | 30,000 |
| **TOTAL RECEIPTS** | 32,400 |
| | |
| **Receivership Operating Costs** | |
| Payroll Ongoing | 33,000 |
| Insurance | 46,156 |
| Rent and/or Property Tax | |
| Quebec - Premises | 9,747 |
| Quebec - 3rd party storage | 4,054 |
| Utilities | |
| Bell | 1,281 |
| IDS | 1,440 |
| Internet | 2,100 |
| Enbridge | 9,600 |
| Security | 3,240 |
| Hydro | 11,500 |
| Sales Process | 7,432 |
| Froese (IT services) | 9,080 |
| Hilco appraisal | 3,762 |
| **Sub-Total - Receivership Operating Costs** | 142,392 |
| | |
| **Professional Fees January 5 - Feb 8, 2015** | |
| Receiver Fees - Jan 5-Feb 8/15 | 365,067 |
| GSNH - Jan 5-Feb | 275,985 |
| **Sub-Total - Professional Fees** | 641,052 |
| | |
| **TOTAL DISBURSEMENTS** | 783,444 |
| | |
| **NET CASH FLOW** | -751,044 |
| | |
| **OPENING CASH POSITION (Note 1)** | 22,180 |
| Net Cash Flow | -751,044 |
| Receiver's Certificates | |
| **CLOSING CASH POSITION** | -728,864 |

**1** Opening cash position is net of $4,781 received by the Receiver for 2015 slip rentals services to be provi

ided after April 1, 2015

**IN THE MATTER OF THE RECEIVERSHIP OF**
**CRATE MARINE SALES LIMITED, F.S. CRATE & SONS LIMITED,**
**1330732 ONTARIO LIMITED, 1328559 ONTARIO LIMITED,**
**1282648 ONTARIO LIMITED, 1382415 ONTARIO LTD., and 1382416 ONTARIO LTD.**

Commercial List File No. 14-CV-10798-00CL

**ONTARIO**
**SUPERIOR COURT OF JUSTICE**
**(COMMERCIAL LIST)**
**Proceedings commenced at**
**Toronto**

# MOTION RECORD OF THE RECEIVER
## (Motion for Fee Approval and Increased Borrowing)


**GOLDMAN SLOAN NASH & HABER LLP**
480 University Avenue, Suite 1600
TORONTO, ON M5G 1V2
Fax: 416-597-3370

**Michael B. Rotsztain** (LSUC #: 17086M)
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Email: rotsztain@gsnh.com

**R. Brendan Bissell** (LSUC #: 40354V)
Tel: 416-597-6489
Email: bissell@gsnh.com

Lawyers for A. Farber & Partners Inc. in its capacity as the Court appointed Receiver of Crate Marine Sales Limited, F.S. Crate & Sons Limited, 1330732 Ontario Limited, 1328559 Ontario Limited 1282648 Ontario Limited, 1382415 Ontario Ltd., and 1382416 Ontario Ltd.