

**Court File No. BK-19-02480036-0032**  
**Estate File No. 32-2480036**

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
**IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE PROPOSAL OF**  
**FT ENE CANADA INC.,**  
**OF THE CITY OF BRANTFORD,**  
**IN THE PROVINCE OF ONTARIO**

**SUPPLEMENTARY REPORT TO THE REPORT OF TRUSTEE ON PROPOSAL**  
**(THE FIFTH REPORT TO THE COURT)**  
**SUBMITTED BY MNP LTD., IN ITS CAPACITY AS**  
**TRUSTEE *IN RE* THE PROPOSAL OF FT ENE CANADA INC.**  
**September 13, 2019**

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**APPENDICES**

- Appendix “1”      The fee affidavit of MNP Ltd. sworn September 13, 2019
- Appendix “2”      The fee affidavit of Pallett Valo LLP sworn September 13, 2019

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SUPPLEMENTARY REPORT TO THE REPORT OF TRUSTEE ON PROPOSAL  
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TRUSTEE *IN RE* THE PROPOSAL OF FT ENE CANADA INC.  
September 13, 2019

**INTRODUCTION AND PURPOSE OF THIS REPORT**

1. 1. On February 27, 2019, FT EnE Canada Inc. (the “**Company**”) filed a Notice of Intention to Make a Proposal (“**NOI**” or “**BIA Proceedings**”) pursuant to Section 50.4 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the “**Act**”), wherein MNP Ltd. (“**MNP**”) was named as proposal trustee (the “**Proposal Trustee**”) of the Company
2. On September 6, 2019, the Proposal Trustee filed its Report of Trustee on Proposal, dated September 6, 2019 (the “**Fifth Report**”) with the Official Receiver pursuant S. 58(c) of the Act
3. On September 10, 2019, the Proposal Trustee served the Fifth Report in connection the Proposal Trustee’s Motion (returnable on September 18, 2019) for an Order, for among other things:
  - (a) Approving the amended Proposal, dated August 29, 2019 (the “**Amended Proposal**”) of the Company and and the release of officers and directors contained therein;
  - (b) Approving the Fifth Report and the activities of the Proposal Trustee; and

- (c) Authorizing the payment of the fees and disbursements of the Proposal Trustee and its counsel in the ordinary course subject to final taxation.
4. This supplementary report (the “**Supplementary Report**”) is to be read in conjunction with the Fifth Report. All capitalized terms not otherwise defined herein shall have the meanings as defined in the Fifth Report.
5. The purpose of this Supplementary Report of the Proposal Trustee is to:
- (a) Provide an update to the Court on the Company’s adherence to the terms of the Amended Proposal; and
  - (b) Provide support for the Proposal Trustee’s request for an Order of the Court, *inter alia*:
    - (i) Approving the professional fees and disbursements of the Proposal Trustee and Pallett Valo LLP (“PV”).

#### **TERMS OF REFERENCE**

6. All currency references contained herein are in Canadian Dollars, unless otherwise specified.

#### **AMENDED PROPOSAL**

7. Following the Company’s review of the amounts that are to be distributable to the Preferred Creditors under section 6.3 of the Amended Proposal, the Proposal Trustee has confirmed that there are no amounts to be distributed to the Preferred Creditors; all amounts that were outstanding at the date of the NOI filing pertaining to S. 60(1.1) and S. 60(1.3)<sup>1</sup> were paid in the ordinary course of operations. As a consequence, the \$36,000 of the Reserve established pursuant to the Corollary Relief Order, which would have otherwise been used towards the distribution to the Preferred Creditors, has been applied towards the outstanding Administrative Fees and Expenses.
8. As an update to paragraph 38 of the Fifth Report, wherein the Proposal Trustee advised on the status of the Company’s adherence to the terms of Amended Proposal, the Proposal Trustee further advises that:

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<sup>1</sup> The vacation pay owing to JC Park relating to the six (6) months prior to the NOI filing date is not includable in the amounts required to be paid under S. 60(1.3) of the Act pursuant to S. 140 of the Act, which postpones S. 136 claims of officers and directors.

- (a) Funding for the payment of the outstanding Administrative Fees and Expenses (up to August 31, 2019) has been fulfilled by the Company (under section 6.1(a) of the Amended Proposal);
- (b) Additional information requested by FTEI in connection with the Company's operations has been supplied by the Company and added to the data room established by the Proposal Trustee for FTEI (under section 7.4(d) of the Amended Proposal); and
- (c) FTEI has arranged to attend the Real Property to conduct a site inspection on September 17, 2019 (under section 7.4(c) of the Amended Proposal).

### **PROFESSIONAL FEES**

- 9. The MNP's statements of account as Proposal Trustee for the period from June 3, 2019 to August 31, 2019 total \$132,361.54 (inclusive of HST). The fee affidavit of MNP sworn September 13, 2019 as to the fees of the Proposal Trustee is attached hereto as **Appendix "1"**.
- 10. PV's statements of accounts for the period from June 18, 2019 to August 31, 2019 total \$68,572.64 (inclusive of HST). The fee affidavit of PV sworn September 13, 2019 as to the fees and disbursements of PV in its capacity as legal counsel to the Proposal Trustee is attached hereto as **Appendix "2"**.
- 11. The Proposal Trustee is of the view that PV's accounts are reasonable in the circumstances and respectfully requests this Court approve its fees and disbursements and those of its legal counsel as described above. Subject to Court approval, these fees and disbursements will be drawn from the funds provided by the Company pursuant to section 6.1(a) of the Amended Proposal.

### **CONCLUSION AND RECOMMENDATIONS**

- 12. Based on the foregoing, the Proposal Trustee respectfully recommends that the Court make an order granting the additional relief requested in Paragraph 5(b) of this Supplementary Report.

All of which is respectfully submitted this 13<sup>th</sup> day of September 2019.

**MNP LTD.,**  
in its capacity as Trustee *in re*  
the Proposal of FT EnE Canada Inc.  
Per:

A handwritten signature in black ink, appearing to read 'M. Lem', written in a cursive style.

Matthew Lem, CIRP  
Licensed Insolvency Trustee

# **APPENDIX "1"**

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
IN BANKRUPTCY AND INSOLVENCY


IN THE MATTER OF THE PROPOSAL OF  
FT ENE CANADA INC.,  
OF THE CITY OF BRANTFORD,  
IN THE PROVINCE OF ONTARIO

AFFIDAVIT OF SHELDON TITLE  
(Sworn September 13, 2019)


I, Sheldon Title, of the City of Richmond Hill, in the Province of Ontario, make oath and say as follows:

1. I am Senior Vice President of MNP LTD., Licensed Insolvency Trustee (the "Proposal Trustee") in re the Proposal of FT EnE Canada Inc. (the "Company") and as such I have knowledge of the matters deposed to herein, except where such knowledge is stated to be based on information and belief, in which case I state the source of the information and verily believe such information to be true.
2. The Proposal Trustee has issued two (2) invoices in connection with its appointment as the Proposal Trustee detailing its services rendered and disbursements incurred for the period from June 3, 2019 to August 31, 2019. Attached hereto and marked as Exhibit "A" is a summary of the Proposal Trustee's invoices, together with copies of such invoices. The fees and disbursements itemized in the invoice total \$117,134.10, excluding applicable Harmonized Sales Tax.
3. The hourly billing rates applied to the invoices are the Proposal Trustee's current hourly rates. The average hourly rate in respect of these invoices is \$461.54.
4. The particulars of the professionals who performed the work, the time spent, and fees associated with such work are contained in the attached invoice.
5. This Affidavit has been prepared to support a motion to, *inter alia*, approve the fees and disbursements of the Proposal Trustee and its accounts.

SWORN before me at the City of )  
Toronto, in the Province of Ontario )  
this 13<sup>th</sup> day of September, 2019. )  
)  
)  
)  
)  
)



A Commissioner, etc.  
Matthew Eric Lem, a Commissioner, etc.,  
Province of Ontario, for MNP Ltd. and MNP LLP,  
Expires December 30, 2019.

  
\_\_\_\_\_  
Sheldon Title



Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF SHELDON TITLE

Sworn before me

This 13<sup>th</sup> day of September, 2019

A handwritten signature in black ink, appearing to be "L. E.", is written over a horizontal line.

Commissioner for taking Affidavits, etc

IN THE MATTER OF THE PROPOSAL OF FT ENE CANADA INC.

Summary of Untaxed Professional Fees of the Proposal Trustee - Up to August 31, 2019

Invoice Date	Invoice No.	Professional	Period of coverage	Fees	Disbursements	Sub-total	HST	Total
10-Sep-19	8973491	MNP Ltd.	3 June 2019 to 31 July 2019	67,477.40	1,794.80	69,272.20	9,005.39	78,277.59
11-Sep-19	8974741	MNP Ltd.	1 August 2019 to 31 August 2019	47,861.90	-	47,861.90	6,222.05	54,083.95
Total Professional Fees and Disbursements - Up to 31 August 2019				115,339.30	1,794.80	117,134.10	15,227.44	132,361.54

# Invoice



Invoice Number : 8973491

Client Number : 0757904

Invoice Date : Sep 10 2019

Invoice Terms : Due Upon Receipt

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FT ENE CANADA INC.  
14 Sharp Road  
Brantford, ON N3T 5L8

## For Professional Services Rendered :

For the period from 3 June 2019 to 31 July 2019, in connection with us acting as Licensed Insolvency Trustee *in re* the proposal of FT EnE Canada Inc. (detailed time descriptions attached)

OUR FEE in all		67,477.40
<b>DISBURSEMENTS:</b>		1,794.80
Newspaper advertisement re: SISP	1,259.80	
Firmex data room fee	535.00	
	Sub Total :	<u>69,272.20</u>
	Harmonized Sales Tax :	<u>9,005.39</u>
	<b>Total (CAD) :</b>	<u><u>78,277.59</u></u>

HST Registration Number : 103697215 RT 0001

Invoices are due and payable upon receipt.

Thank you for your business. We sincerely appreciate your trust in us.

Licensed Insolvency Trustees  
111 RICHMOND STREET WEST, SUITE 300;  
TORONTO ON; M5H 2G4  
P: (416) 596-1711 F: (416) 596-7894 [www.MNPDebt.ca](http://www.MNPDebt.ca)

**DETAILED TIME CHARGES**

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
03-Jun-2019	Jessie Hue	.30	Update Case website.
03-Jun-2019	Matthew Lem	11.10	Discussion with Blaneys re notice of fulfillment and acknowledgement from the Company relating to sale transaction. Review same received and forward to the broker for the purchaser. Attend to drafting of third report to Court. Discussion with Pallett Valo re file matters. Attend to redacting of APS. Discussion with BLG re purchaser's waiving of conditions and other. Update email to RBC and BLG re same. Conference call with Blaneys, BLG, Pallett Valo and Baker & McKenzie. Attend to various correspondence from the parties re 9:30 appearance. Forward redacted APS to Baker & McKenzie.
03-Jun-2019	Michael Litwack	1.10	Emails re cash flows. Review of materials provided for week ended May 31st. Revise variance analysis with new data.
04-Jun-2019	Jessie Hue	.30	Attend to banking matters in connection with wiring of deposit re sale transaction for 14 Sharp.
04-Jun-2019	Matthew Lem	7.90	Attend to drafting of third report to court. Discussions with M. Litwack re same. Discussions with and Pallett Valo re report. Attend to provision of deposit acknowledgement to purchaser. Attend to various correspondence with BLG, the Company and Blaneys re receipt of second deposit from purchaser. Discussion with RBC and attend to request re expected distributions from net proceeds from sale of the real property. Review of notice motion materials served by Baker & McKenzie.
04-Jun-2019	Michael Litwack	3.80	Discussions with M. Lem. Emails and calls with C. Armstrong throughout the day. Review of cash flow information provided by C. Armstrong. Revised draft report re section on cash flows. Prepared reporting to RBC on cash flow variances. Emails re fulfilment of order. Email to creditor. Calls with Y. Park and C. Armstrong re Camfil order
05-Jun-2019	Jessie Hue	.20	Attend to accounting for additional deposit received re sale transaction.
05-Jun-2019	Matthew Lem	6.00	Attend to draft third report to court. Various discussions with M. Litwack and Pallett Valo re same. Various correspondence with Pallett Valo, the Company, Blaneys and BLG. Review of comments on draft report. Discussion with Pallett Valo re report and 9:30 appearance.
05-Jun-2019	Michael Litwack	3.60	Discussion with M. Lem. Review of receivables and reconciliation with actual collections. Email to C. Armstrong re items needed in support of variance analysis. Calls and

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
			emails with C. Armstrong re reconciliation of receivables and cash flows. Emails re inventory and material purchases.
06-Jun-2019	Heather Ursaki	.20	Attend to updates to the engagement's Case website.
06-Jun-2019	Jessie Hue	.40	Assemble and email the third report to Court and appendices, along with the confidential appendices to Pallett Valo for service.
06-Jun-2019	Matthew Lem	2.10	Attend to call from BLG re sale approval motion and next steps. Attend to finalize report and appendices and forward same to Pallett Valo. Update discussions with M. Litwack and Pallett Valo re 9:30 appearance. Attend to various correspondence received from Baker & McKenzie, Blaneys and Pallett Valo re sale approval and other motions and order contemplated to be before the court on June 7, 2019. Discussions with Pallett Valo re same. Discussion with the Company re VW lease, current indebtedness to RBC and next steps. Discussion with Blaneys re same. Call to E. Doucet re lease status and other matters.
06-Jun-2019	Michael Coulter	.70	Attend to updates to the engagement's Case website postings.
06-Jun-2019	Michael Litwack	2.50	Attend at court for 9:30 appearance and discussions with parties after appearance. Update call with M. Lem. Review of draft materials in support of June 7 court motion.
07-Jun-2019	Jessie Hue	.40	Attend to bank reconciliation. Posting the third report to the case website.
07-Jun-2019	Matthew Lem	4.10	Assemble materials for court. Review of revised draft orders. Discussion with the purchaser's broker re sale transaction and the company to acquire the property (assign APS), lease arrangement status, date for closing and HST number of purchaser. Confirm non-relation of assignee of purchaser as not related to the director. Attendance at court re sale approval motion and other. Update discussion with RBC. Follow-up and arrange for posting of Court materials and orders to Case website. Follow-up with purchaser re closing. Review draft order re endorsement conversion.
07-Jun-2019	Michael Litwack	1.20	Review and adjust variance analysis re cash flow monitoring. Email and call with M. Lem.
10-Jun-2019	Matthew Lem	.20	Attend to correspondence from broker for purchaser re sale closing and lease. Correspondence with Blaneys re same.
11-Jun-2019	Matthew Lem	.10	Correspondence with Blaneys re leaseback agreement.
12-Jun-2019	Jessie Hue	.70	Update Case website re the Order and Endorsement of Justice Penny, Motion Record, Book of authorities and Factum. Review of the service list and confirm with M. Lem.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
12-Jun-2019	Matthew Lem	1.20	Update discussion with Blaneys. Attend to various correspondence re sale closing, lease and draft order. Call with Blaneys, Baker & McKenzie, BLG and Pallett Valo re order for endorsement. Discussion with M. Litwack re variance analysis and updated projections for report.
12-Jun-2019	Michael Litwack	2.10	Discussion with M Lem. Call to Y. Park. Emails with C. Armstrong. Prepared framework for new cash flow projections. Review of cash flow materials for actuals up to week ended June 7th. Updated cash flow variance report. Review of bank statements to reconcile to cash flow report.
13-Jun-2019	Matthew Lem	2.90	Update discussion with Blaneys. Call with the Company re cash flow projections and other. Discussion with M. Litwack re report and projections. Review of FTEI Motion materials.
13-Jun-2019	Michael Litwack	6.90	Drafting of fourth court report. Discussions with M Lem. Call with Y. Park. Call with C. Armstrong. Review of materials sent in support of revised cash flow projections. Revision to variance analysis. Preparing of second revised cash flow statements including review of all expected receipts and new sales. Call with the Company re sales and material purchase assumptions. Emails re assumptions for cash flow projections.
14-Jun-2019	Matthew Lem	3.30	Preliminary review of draft updated projections. Conference call with Blaneys and Pallett Valo re contemplated proposal to parent company on motion and extension motion. Updated discussion with RBC. Discussion with the Company and TD re new banking arrangements. Discussion with broker for purchaser re closing. Discussion with Colliers re invoice from closing. Call to lawyer for purchaser re closing. Preliminary review of draft report. Various correspondence with Blaneys re closing matters.
14-Jun-2019	Michael Litwack	4.50	Drafting of fourth court report. Call with C. Armstrong. Emails with C. Armstrong. Emails with A. Ilchenko. Revision to projections and emails with C. Armstrong re projections. Prepared variance analysis outline to June 14th in preparation for court report.
17-Jun-2019	Matthew Lem	1.70	Various update discussions/correspondence with M. Litwack re draft report, cash flow projections and other file matter. Discussion with TD and provide assistance to the company to set-up new accounts. Attend to account for report.
17-Jun-2019	Michael Litwack	4.80	Emails and calls with M. Lem. Adjust draft fourth report. Calls and emails with C. Armstrong and Y. Park. Revisions to cash flow variance report. Revisions to cash flow projections. Prepared cash flow projection for filing. Emails with A. Ilchenko. Email re management representation letter.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
18-Jun-2019	Matthew Lem	5.20	Attend to review and adjust draft fourth report to court. Various follow-up re lease agreement with purchaser/broker and Blaneys. Review of issues related return of VW leased vehicle. Correspondence re management representation letter. Discussion with M. Litwack re same. Follow-up with Colliers re commission invoice re sale closing. Correspondence and provision of information to Blaneys and others re sale closing.
18-Jun-2019	Michael Litwack	1.30	Revisions to projected cash flows. Revision to report on cash flow variance for court report. Emails re line of credit. Review of receivable projections re comments on variance for period up to June 14. Email re receivables.
19-Jun-2019	Matthew Lem	6.80	Review and adjust draft fourth report to court. Further follow-up re sale closing matters discussion with RBC re the Company's request to retain bank accounts. Provision of information requested by RBC. Attend to correspondence re insurance certificate in connection with leaseback.
19-Jun-2019	Michael Litwack	3.70	Review of material purchases and logistics to determine cause of variances. Messages with C. Armstrong. Prepared report on banking requirements. Prepared Forms 29 and 30. Emails re VW lease. Review of lease. Review of CBB Online vehicle values. Prepared statement re equity analysis for VW vehicle.
20-Jun-2019	Matthew Lem	5.90	Attend to correspondence from BLG re stay extension motion. Discussion with BLG and Blaneys re same. Attend to follow-up activities and correspondence associates with the sale closing. Review and adjust draft fourth report to court. Circulate for comments. Correspondence with Company and M. Litwack re cash flows and cash collateral requested by RBC to temporarily retain bank accounts. Review and adjust updated and extended cash flow projections.
20-Jun-2019	Michael Litwack	5.70	Calls with M. Lem. Call with Blaneys. Review of court report. Calls with C. Armstrong. Calls with Y. Park. Revision to cash flow projections. Revisions to cash flow projection reports. Review and report on variances in cash flows. Review and report on cash requirements. Emails re cash flow reports and filing. Emails re changes to cash flow projections. Review of materials and purchase orders. Further revisions to cash flows.
21-Jun-2019	Angela Liu	.30	E-file extended cash flow projections and reports with the OSB. Update files.
21-Jun-2019	Jerry Henechowicz	.70	Second partner review of Court report and discussion with M. Lem on proposed changes.
21-Jun-2019	Jessie Hue	.60	Update Case website for motion record and fourth report to Court. E-filing with the OSB.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
21-Jun-2019	Matthew Lem	5.20	Attend to finalization of fourth report to court. Meet with A. Ilchenko re same. Review of updated and extended cash flow projections and report. Execute same. Attend to various correspondence between the parties re FTEI motion and stay extension motion. Follow-up re sale closing. Update toe RBC re sale closing.
21-Jun-2019	Michael Litwack	1.60	Discussions with M. Lem. Call with C. Armstrong. Revisions to cash flow projections. Revised Form 29 and Form 30. Compiled appendices to Fourth Report. Prepared cash flows and reports for signing. Further revised cash flow and reports.
21-Jun-2019	Sheila Ayer	.50	Attend to assemble of Motion materials.
23-Jun-2019	Matthew Lem	.30	Review of various correspondence from Blaneys, Baker & McKenzie and Gowlings. Re view of BDO report re suspension of audit.
24-Jun-2019	Angela Liu	.40	E-file endorsement with OSB and post to case website. Update file.
24-Jun-2019	Jessie Hue	.50	Case website posting and e-filing with the OSB re report and motion record.
24-Jun-2019	Matthew Lem	5.10	Review of correspondence. Attend at Court re FTEI Motion and stay motion. Call to BLG. Forward complete endorsement with draft order to Blaneys, Baker & McKenzie. BLG and Gowlings.
25-Jun-2019	Jessie Hue	.10	Discussion with M. Lem regarding wire instructions options re reserve from net proceeds of sale.
25-Jun-2019	Matthew Lem	.10	Attend to correspondence from Blaneys re paydown of RBC, and payment of reserve.
25-Jun-2019	Michael Litwack	1.70	Emails re bank balances. Review of actuals for week ended June 21 and prepared report and variance on actuals.
26-Jun-2019	Jessie Hue	2.10	Attend to various banking and posting matters related to reserve, payment of professional fees, transfer of retainer funds, etc.
26-Jun-2019	Matthew Lem	.10	Review and update file. Attend to review and payment of P. Valo.
27-Jun-2019	Matthew Lem	.20	Review of decision/endorsement of Penny J.
28-Jun-2019	Matthew Lem	.10	Update discussion with Blaneys
28-Jun-2019	Michael Litwack	.10	Emails re bank statements.
03-Jul-2019	Jessie Hue	.80	Attend to Case website posting. Print and send letter to Blaneys.
03-Jul-2019	Matthew Lem	1.90	Review of correspondence received from Baker & McKenzie re information request. Discussion with Pallett Valo re same and coordinating call with Blaneys. Discussion with Blaneys



DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
			re information requested by Baker & McKenzie. Draft letter to the Company re same. Forward to Pallett Valo for comments. Finalize letter and have it sent out.
04-Jul-2019	Matthew Lem	.10	Attend to correspondence received.
05-Jul-2019	Matthew Lem	.70	Attend to correspondence from Baker & McKenzie re by-law information request. Email to Blaneys re same. Discussion and correspondence with Pallett Valo Baker & McKenzie request.
08-Jul-2019	Michael Litwack	.20	Emails with C. Armstrong
09-Jul-2019	Jessie Hue	.30	E-file the Order approving extension of time with the OSB.
10-Jul-2019	Michael Litwack	.60	Preparing variance analysis for past weeks.
11-Jul-2019	Michael Litwack	1.00	Review of bank statements and reports on cash flows. Revised variance report.
12-Jul-2019	Jessie Hue	.20	Attend to bank reconciliation.
16-Jul-2019	Michael Litwack	1.30	Emails with C. Armstrong re actual cash flow numbers. Revised and completed variance report to July 5.
17-Jul-2019	Matthew Lem	1.80	Update discussion with Blaneys. Conference call with Blaneys, Pallett Valo, Baker & McKenzie, Gowlings and Minden Gross re upcoming case conference.
18-Jul-2019	Jessie Hue	.90	Attend to Post Media invoice re sale proves advertisement and other accounting and banking matters.
18-Jul-2019	Matthew Lem	2.60	Review of variance analysis. Discussion with M. Litwack re same. Correspondence with Blaneys re closing adjustments and other. Follow-up with the company re corporate tax filings. Discussion with T. Dunn. Discussion with P. Shea. Review of draft proposal document.
18-Jul-2019	Michael Litwack	.70	Revision to variance analysis. Review of closing transaction documents to revise cash flow variance.
19-Jul-2019	Matthew Lem	.20	Attend to correspondence from Baker & McKenzie. Emails to Blaneys re same. Correspondence with Pallett Valo.
22-Jul-2019	Matthew Lem	1.10	Review of correspondence from Baker & McKenzie. Update discussion with Pallett Valo re same and 9:30 appearance. Follow-up with Blaneys re draft proposal.
22-Jul-2019	Michael Litwack	1.90	Emails re closing adjustments. Review of closing adjustment documents. Revision to variance report to include transactions resulting from sale of real property. Emails with Y. Park and C. Armstrong. Discussions w. M. Lem.
23-Jul-2019	Matthew Lem	1.60	Review and adjust response letter to Baker & McKenzie. Review Fundy Forest case. Discussion with Pallett Valo re same. Review Conway endorsement. Arrange for posting to Case Website.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
23-Jul-2019	Michael Litwack	1.00	Call with C. Armstrong re cash flows. Revision to cash flow variance report. Emails with C. Armstrong.
26-Jul-2019	Jessie Hue	.50	Attend updates and posting to the Case website.
26-Jul-2019	Matthew Lem	1.80	Review and provide comments on draft proposal. Forward same to Pallett Valo for review and comments.
26-Jul-2019	Michael Litwack	.20	Emails to the Company re reconciliation of sale closing proceeds.
29-Jul-2019	Matthew Lem	.20	Discussion with Pallett Valo re draft proposal document.
30-Jul-2019	Michael Litwack	1.50	Review of bank statements and reconciliations for weeks ended July 12 and 19. Email to C. Armstrong. Prepared variance reporting for weeks up to July 19 and created template for week ending July 26.
31-Jul-2019	Angela Liu	.20	Attend to accounting posting matters.
31-Jul-2019	Matthew Lem	.70	Call from Pallett Valo re Baker & McKenzie meeting request and shareholder meeting. Update discussion with Y. Park. Call to Blaneys. Discussion with M. Litwack re monitoring.
31-Jul-2019	Michael Litwack	.20	Discussion re current bank account balances. Email to C. Armstrong.

**SUMMARY OF TIME CHARGES**

	Professional	Average Hourly Rate	Hours	Amount
Jerry Henechowicz	Partner/Senior Vice President	\$ 630.00	0.70	\$ 441.00
Matthew Lem	Partner/Senior Vice President	\$ 550.00	82.30	45,265.00
Michael Litwack	Manager	\$ 366.00	53.20	19,471.20
Jessie Hue	Associate	\$ 217.00	8.30	1,801.10
Angela Liu	Associate	\$ 217.00	0.90	195.30
Sheila Ayer	Associate	\$ 217.00	0.50	108.50
Michael Coulter	Associate	\$ 217.00	0.70	151.90
Heather Ursaki	Associate	\$ 217.00	0.20	43.40
<b>TOTAL</b>		<b>\$ 459.66</b>	<b>146.80</b>	<b>\$ 67,477.40</b>

# Invoice



Invoice Number : 8974741

Client Number : 0757904

Invoice Date : Sep 11 2019

Invoice Terms : Due Upon Receipt

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FT ENE CANADA INC.  
14 Sharp Road  
Brantford, ON N3T 5L8

## For Professional Services Rendered :

For the period from 1 August 2019 to 31 August 2019, in connection with us acting as Licensed Insolvency Trustee *in re* the proposal of FT EnE Canada Inc. (detailed time descriptions attached)

OUR FEE in all		47,861.90
	Sub Total :	<u>47,861.90</u>
	Harmonized Sales Tax :	<u>6,222.05</u>
	<b>Total (CAD) :</b>	<u><b>54,083.95</b></u>

HST Registration Number : 103697215 RT 0001

**Invoices are due and payable upon receipt.**

Thank you for your business. We sincerely appreciate your trust in us.

Licensed Insolvency Trustees  
111 RICHMOND STREET WEST, SUITE 300;  
TORONTO ON; M5H 2G4  
P: (416) 596-1711 F: (416) 596-7894 [www.MNPDebt.ca](http://www.MNPDebt.ca)

## DETAILED TIME CHARGES

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
01-Aug-2019	Matthew Lem	.50	Review of correspondence from Baker & McKenzie. Discussion with Pallett Valo re: same. Correspondence with Blaneys re: proposal filing.
02-Aug-2019	Jessie Hue	1.20	Revision to the statement of affairs and validating for e-filing, e-filing the Proposal; discussion with M. Lem re same and other documents to be e-filed with the OSB.
02-Aug-2019	Matthew Lem	5.20	Discussions with Blaneys re: statement of affairs and proposal filing. Attend to statement of affairs. Discussion with the Company re: same. Attend meeting at Blaneys re: execution of statement of affairs. Arrange for e-filing of Proposal and statement of affairs. Discussion with OR re: same. Attend to various correspondence from Baker & McKenzie. Discussion with Pallett Valo re: same and other file matters. Review of draft letter to Baker & McKenzie prepared by Pallett Valo. Discussion with Pallett Valo re: same.
06-Aug-2019	Jessie Hue	.60	Follow up with the OSB on amended EIS. E-filed the remittance with the OSB and mailing. Attend to update file. Prepare cheque req for filing fee.
06-Aug-2019	Matthew Lem	2.40	Various discussions with Pallett Valo and Blaneys re: next steps and actions taken by FT KOREA. Review of correspondence from Baker & McKenzie. Commence preparation of report to creditors
07-Aug-2019	Matthew Lem	4.30	Various calls with Blaneys and Pallett Valo re: meeting. Review of various correspondence from Baker & McKenzie and Gowlings. Meet with Baker & McKenzie and FT KOREA, together with Pallett Valo. Update discussion with Blaneys and Gowlings. Discussion with the Company re: banking, monitoring and other matters. Discussion with Pallett Valo and email to Baker & McKenzie re: proposed process for moving forward. Attend to correspondence from Baker & McKenzie. Discussion with Pallett Valo re: same.
07-Aug-2019	Michael Litwack	.30	Call and email from C. Armstrong. Discussion with M. Lem.
08-Aug-2019	Matthew Lem	.70	Attend to various correspondence. Discussion with Minden Gross re: Baker & McKenzie's proposed additions to proposal. Discussion with Pallett Valo re same.
09-Aug-2019	Matthew Lem	1.70	Attend to call from C. Armstrong re: banking matters. Review of various correspondence from Baker & McKenzie, Minden Gross, Pallett Valo and Blaneys.
09-Aug-2019	Michael Litwack	.10	Correspondence with the Company re: bank statements and reviewable transaction review.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
11-Aug-2019	Matthew Lem	.10	Attend to correspondence received from Baker & McKenzie. Correspondence with Pallett Valo re: same.
11-Aug-2019	Michael Litwack	5.50	Download and organized bank statements sent by C. Armstrong. Review of bank statements from RBC, BMO, KEB and Shinhan from 2014 onwards re: reviewable transaction review. Prepared schedule of notable transactions and missing statements.
12-Aug-2019	Angela Liu	.20	Attend to conduct updated PPSA (Ontario) search.
12-Aug-2019	Matthew Lem	5.80	Attend to report to creditors. Discussion with Pallett Valo re: same.
12-Aug-2019	Michael Litwack	1.20	Further review of bank statements re: reviewable transaction review. Update to M. Lem re same.
13-Aug-2019	Angela Liu	2.80	Prepare documents for creditors package mailing. E-file notice to creditors and trustee's report with the OSB. Update files. Prepare mailing of creditors package. Prepare affidavit of mailing and e-file with the OSB. Upload docs to Case Website.
13-Aug-2019	Matthew Lem	1.80	Finalize report to creditors. Discussions with S. Title and Pallett Valo re: same.
13-Aug-2019	Michael Litwack	.20	Prepared format for 3rd revised projections. Email to C Armstrong.
13-Aug-2019	Sheldon Title	1.20	Review of report/proposal, discussion with M. Lem re: same.
14-Aug-2019	Matthew Lem	1.60	Attend to various correspondence from Baker & McKenzie. Several discussions regarding next step, amendments to the proposal and response to Baker & McKenzie correspondence. Discussion with M. Litwack re: updated cash flow projections.
14-Aug-2019	Michael Litwack	2.20	Call and emails with C. Armstrong. Review of cash flow materials for weeks ended July 26, August 8 and August 9 to update variance analysis. Review and reconciliation of cash flow variance to bank statements. Discussion re: updated cash flows.
15-Aug-2019	Matthew Lem	.40	Review of correspondence from Baker & McKenzie re: amended proposal. Discussion with Pallett Valo re: same.
15-Aug-2019	Michael Litwack	.50	Review of draft cash flow provided by C. Armstrong. Emails re: draft cash flow.
16-Aug-2019	Angela Liu	.70	Attend to proof of claims received. Update discussion with M. Lem re: same.
16-Aug-2019	Matthew Lem	1.80	Attend to various correspondence. Several discussions with Pallett Valo re: FT Korea's proof of claim and amendments to the proposal and discussions with counsel. Attend to call

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
			from Minden Gross re: FT Korea attending at the company's premises. Discussion with the Company re: same.
16-Aug-2019	Michael Litwack	2.00	Review of cash flow revisions sent by C. Armstrong. Further review to cash flow projections. Emails with C. Armstrong. Call with C. Armstrong. Emails with M. Lem. Prepared assumptions to cash flows and further revisions.
19-Aug-2019	Matthew Lem	3.80	Review of proof of claim from FT Korea. Review of proof of claim from Gerrie Electric. Review of proposal amendments from Baker & McKenzie. Discussion with Pallett Valo re: same. Review of account reconciliation prepared by the Company re: indebtedness to FT Korea. Discussion with the Company re: same. Review of information received from the Company re: AP/Prefiling NOI debts. Review of draft revised cashflow projections. Discussion with M. Litwack re: same. Discussion with BLG re: RBC release of cash collateral and closure of accounts.
19-Aug-2019	Michael Litwack	2.80	Emails with the Company re: revised cash flow projections and assumptions. Email re: reconciliation of accounts for claims review. Review of invoices for outstanding receivables. Emails re: fees for company's counsel. Emails re: payroll. Revisions to cash flow projections. Review of materials provided for cash flows including insurance policies, payroll records, and invoices.
20-Aug-2019	Matthew Lem	2.90	Discussion with Baker & McKenzie re: proposal and potential amendments. Review of updated cash flow projections. Various discussion with M. Litwack re: same. Meet with JC Park re: execution of revised cash flow projections, associated reports and Management Representation Letter.
20-Aug-2019	Michael Litwack	3.30	Emails and call with C. Armstrong. Revisions to cash flow. Emails re: further documentation and assumptions for cash flows. Call with C. Armstrong and M. Lem. Call to A. Teodorescu. Prepared forms for cash flow filing. Prepared assumptions for cash flow filing. Discussions with M. Lem. Prepared Management Representation Letter;
20-Aug-2019	Patricia Ball	.10	Attend to monthly bank reconciliation (July).
21-Aug-2019	Angela Liu	.50	Attend to calls with creditors re: filing proof of claim. Email creditors package as requested by creditor.
21-Aug-2019	Jessie Hue	1.20	Update files. E-filed Form 29, Form 30 and revised cash flow projections with the OSB. Prepare documents for the meeting of creditor, claim register, prepare draft minutes, attendance sheet.
21-Aug-2019	Matthew Lem	1.80	Discussion with the Company re: FT Korea loan and updated cash flow projections filed. Review of FT Korea claim.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
			Discussion with Pallett Valo re: same. Call with Blaneys re: proposal, FT Korea claim and other.
22-Aug-2019	Angela Liu	.40	Email with creditor re: filing proof of claim. Call to creditor re: missing proxy and voting letter.
22-Aug-2019	Jessie Hue	.20	Discussion with M. Lem re: pre-filing claim received from CRA, which amount has since been paid. Respond to email account inquiry.
22-Aug-2019	Matthew Lem	3.10	Attend to review of draft amended proposal. Attend to call from Baker & McKenzie re: proposal and amendments. Discussion with Pallett Valo re: same and amendments to proposal and creditors meeting. Discussion with Colliers re: lease options on behalf of the company.
23-Aug-2019	Jessie Hue	.20	Follow up re: other proofs of claims received in advance of creditors' meeting; update M. Lem re: same.
23-Aug-2019	Matthew Lem	7.70	Meet with A. Ilchenko of Pallett Valo re: proposal. Attend meeting with Blaneys, together with Pallett Valo re: review proposal and propose amendments. Convene creditors meeting consider proposal, including adjournment and discussion on amendments for FT Korea's support. Discussion with JC Park re: lease options from Colliers. Attend to correspondence and review updated amended proposal.
26-Aug-2019	Angela Liu	1.00	Attend to call from creditor re: filing proof of claim. Email forms to creditor. Update file re notice of reconvened meeting of creditors. E-file same with OSB and mail to proven creditors. Prepare affidavit of mailing of the notice
26-Aug-2019	Jessie Hue	.30	Prepare the notice of reconvened meeting, labels and email M. Lem for review.
26-Aug-2019	Matthew Lem	1.90	Attend to minutes and notice of reconvened meeting. Discussion with Pallett Valo re: same and next steps. Email notice to proven creditors and company and its counsel.
26-Aug-2019	Michael Litwack	.80	Review of claim information submitted by FT Korea and added notes to bank review.
27-Aug-2019	Angela Liu	.70	Update file. Finalize affidavit of mailing re: notice of reconvened meeting. E-file same with the OSB. Call with Citi Cards re: amending proof of claim filed. Email to M. Lem for the same
27-Aug-2019	Jessie Hue	.10	Attend to update file re: amended certificate of appointment received from OSB.
27-Aug-2019	Matthew Lem	3.90	Meet with M. Litwack re: bank account review. Review of proposed amendment to the proposal. Forward and discussion on same with Pallett Valo. Attend to correspondence with Blaneys re: amendments proposed and reasonings.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
27-Aug-2019	Michael Litwack	3.30	Meeting with M. Lem re: bank account review. Email and call to C. Armstrong. Preparing of table to track transactions and transfer of funds between accounts.
28-Aug-2019	Matthew Lem	2.20	Attend to account. Attend to correspondence re: amended proposal. Discussions with Pallett Valo re: same and reconvened creditors meeting.
28-Aug-2019	Michael Litwack	5.00	Continued review of bank transactions and tracking of funds. Review of additional bank statements provided. Update to M. Lem re: same.
29-Aug-2019	Angela Liu	.50	Prepare notice of hearing and cover letter. File amended proposal with the OSB and post to website
29-Aug-2019	Matthew Lem	4.80	Review of draft revised amended proposal. Review of reviewable transaction spreadsheet. Attend to reconvene meeting of creditors to consider the proposal, including temporary adjournment to consider the amendments. Attend to various discussions with Blaneys, Baker & McKenzie, Pallett Valo and Minden Gross re: amendments to the proposal. Review and adjust notice to creditors re: application for hearing.
29-Aug-2019	Michael Litwack	.30	Emails and discussions re: cash flows.
30-Aug-2019	Angela Liu	.80	Save notice of court hearing and e-file with the OSB. Mail the same to creditors. Prepare affidavit of mailing
30-Aug-2019	Matthew Lem	3.80	Attend to finalize notice of amended proposal and court hearing. Discussions with S. Title re: same. Various discussions with the Company re: cash flow monitoring, information to be delivered to FT Korea, RBC return of funds, CRA access, and other. Discussion with RBC re: return of cash collateral and copies of wires on close out of account. Attend to minutes of reconvened meeting of creditors. Discussions with M. Litwack re: priority file matters.
30-Aug-2019	Michael Litwack	.40	Call to C. Armstrong re: funding of proposal. Discussion with M Lem re same and other file matters.
30-Aug-2019	Sheldon Title	.30	Review of draft notice of amended proposal/notice of hearing and provide comments on same.



**SUMMARY OF TIME CHARGES**

	Professional	Average Hourly Rate	Hours	Amount
Sheldon Title	Partner/Senior Vice President	\$ 630.00	1.50	\$ 945.00
Matthew Lem	Partner/Senior Vice President	\$ 550.00	62.20	34,210.00
Michael Litwack	Manager	\$ 366.00	27.90	10,211.40
Jessie Hue	Associate	\$ 217.00	3.80	824.60
Angela Liu	Associate	\$ 217.00	7.60	1,649.20
Patricia Ball	Associate	\$ 217.00	0.10	21.70
<b>TOTAL</b>		<b>\$ 464.23</b>	<b>103.10</b>	<b>\$ 47,861.90</b>

# **APPENDIX "2"**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF THE PROPOSAL OF  
FT ENE CANADA INC.,  
OF THE CITY OF BRANTFORD,  
IN THE PROVINCE OF ONTARIO**

**FEE AFFIDAVIT OF MONTY DHALIWAL  
(Sworn on September 13, 2019)**

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

1. I am an associate at Pallett Valo LLP (“**PV**”), solicitors for MNP Limited (“**MNP**”), in its capacity as Proposal Trustee (in such capacity, the “**Proposal Trustee**”), of all of the assets, undertakings and properties of the Debtor, FT ENE CANADA INC. and, as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Attached hereto and marked as **Exhibit “A”** are detailed invoices (the “**Invoices**”) issued to the Proposal Trustee by PV for fees and disbursements incurred by PV in the course of the matter between June 18, 2019 and August 31, 2019 (the “**Period**”). The total fees and disbursements charged by PV to the Proposal Trustee during the Period (including HST) were **\$68,572.64**.


3. The Invoices are a fair and accurate description of the services provided and the amounts charged by PV.


4. Attached hereto and marked as **Exhibit "B"** is a schedule summarizing each invoice in Exhibit "A", the total billable hours charged per invoice, the total fees charged per Invoice and the average hourly rate charged per Invoice. The average hourly rate during the Period was **\$409.16**.

5. Attached hereto and marked as **Exhibit "C"** is a schedule summarizing the billing rates and year of call for each lawyer and Law Clerk that has completed work on this file during the Period.

6. I make this affidavit in support of a motion for approval of the interim Fees and Disbursements of the Proposal Trustee and for no other or improper purpose.

**SWORN BEFORE ME** at the City of  
Mississauga, in the Regional Municipality of  
Peel on September 13, 2019

  
\_\_\_\_\_  
Commissioner for Taking Affidavits  
(or as may be)  
*Alex Sichelko*

  
\_\_\_\_\_  
**Monty Dhaliwal**

**EXHIBIT "A"**

**Detailed Invoices**

This is Exhibit A referred to in the  
affidavit of Marty Dhabwal  
sworn before me, this 13  
day of September 2019

~~COMMISSIONER FOR TAKING AFFIDAVITS~~

Surinder

District of Ontario: Ontario  
Division No.:  
Estate File No.: 32-2480036  
Court File No.: 32-2480036

*ONTARIO*  
***SUPERIOR COURT OF JUSTICE***  
*(IN BANKRUPTCY AND INSOLVENCY)*

IN THE MATTER OF THE  
PROPOSAL OF FT ENE CANADA  
INC.,  
OF THE CITY OF BRANTFORD,  
IN THE PROVINCE OF ONTARIO

**BILL OF COSTS FOR SERVICES RENDERED TO THE TRUSTEE**

June 28, 2019

Statement No.: 196553

TO PROFESSIONAL SERVICES RENDERED ON YOUR BEHALF in connection with the above-noted matter including the following:

Re: **23487-81388 / Bankruptcy Proposal of FT EnE Canada Inc.**

<b>Professional Fees</b>		Hours	Amount
06/18/2019 AAI	Reviewing and revising fee affidavit for Report; reviewing Motion Record for Stay Extension served by counsel for the Debtor	2.30	1,276.50
06/19/2019 AAI	Reviewing Factum of Debtor for Extension Motion; calls with M. Lem regarding 4th Report content; discussing with Immigration counsel impact of Bankruptcy on Temporary foreign workers of Debtor Co	1.10	610.50
06/20/2019 AAI	Reviewing and revising draft 4th Report and comments to 4th Report; preparing appendices to report and Motion Record; reviewing correspondence from counsel regarding settlement negotiations; preparing ancillary documents to allow for service and filing of 4th Report	3.50	1,942.50
06/21/2019 AAI	Meeting with M. Lem; reviewing revisions to draft report; emails from and to counsel for RBC counsel for Debtor and counsel for Korean Parent; revising Fourth Report; assembling exhibits to Fourth Report and preparing for Service; Meeting with Commercial Court Trial Coordinator regarding providing of materials to Penny, J; discussing with M. Lem submissions for motions; reviewing emails from Debtor regarding closing of transaction and issuance of Closing Certificate by Trustee	3.80	2,109.00

06/24/2019	AAI	Attend at Commercial Court and meet with counsel; attend at hearing of Debtor's Extension Motion and Korean Parent substitution of Director Motion; making submissions to Justice Penny; re-attending hearing; meeting with counsel regarding endorsement; reviewing endorsement	5.80	3,219.00
06/25/2019	AAI	Emails from and to M. Lem regarding closing of transaction and flow of funds; emails from counsel for Korean Parent and Debtor regarding Orders	0.30	166.50
06/26/2019	AAI	Reviewing correspondence from counsel for the Debtor regarding Korean Order; call to counsel for Debtor; discussing status of payment of reserve fund and RBC payout with M. Lem	0.80	444.00
06/27/2019	AAI	Reviewing endorsement of Penny, J. regarding motion by Debtor for extension and motion by Korean Parent; call with counsel for Debtor regarding draft Order	1.60	888.00

AND TO reporting to the Trustee throughout; to all telephone communications, correspondence, memoranda and necessary attendances with respect to the foregoing but not specifically referred to herein; and to the attendance on the taxation of the Trustee's accounts.

<u>Initials</u>	<u>Name</u>	<u>Title</u>	<u>Hours</u>	<u>Billing Rate</u>	<u>Amount</u>
AAI	Alex Ilchenko	Associate	19.20	\$555.00	\$10,656.00

**OUR FEES FOR SERVICES RENDERED HERIN**

**FEES (subject to HST)** \$10,656.00

**DISBURSEMENTS (\*\*Subject to HST)**

Photocopies/Printing \*\* \$6.00

**Total Disbursements** \$6.00

Total HST on Fees and Disbursements \$1,386.06

**TOTAL AMOUNT CLAIMED FOR FEES & DISBURSEMENTS** \$12,048.06

This is to certify that the Trustee has examined the above Bill of Costs, that the services set out therein have been duly authorized and rendered and that the charges are, in its opinion, fair and reasonable. The gross receipts in this estate, less amounts paid to secured creditors, are \$

We hereby waive notice of the time and place of the taxation of this Bill.

MNP Ltd.

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APPROVED:

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INSPECTOR





District of Ontario: Ontario  
Division No.:  
Estate File No.: 32-2480036  
Court File No.: 32-2480036

*ONTARIO*  
***SUPERIOR COURT OF JUSTICE***  
*(IN BANKRUPTCY AND INSOLVENCY)*

IN THE MATTER OF THE  
PROPOSAL OF FT ENE CANADA  
INC.,  
OF THE CITY OF BRANTFORD,  
IN THE PROVINCE OF ONTARIO

**BILL OF COSTS FOR SERVICES RENDERED TO THE TRUSTEE**

July 31, 2019

Statement No.: 197376

TO PROFESSIONAL SERVICES RENDERED ON YOUR BEHALF in connection with the above-noted matter including the following:

Re: **23487-81388 / Bankruptcy Proposal of FT EnE Canada Inc.**

<b>Professional Fees</b>		Hours	Amount
05/02/2019 AAI	Reviewing Motion Record served by counsel for the Debtor; discussing Motion materials and Order sought with M. Lem	1.30	721.50
07/03/2019 AAI	Reviewing correspondence from counsel for Korean Parent; calls with M. Lem; revising draft letter to Debtor regarding information requests; reviewing correspondence from counsel for Korean Parent regarding call for creditors meeting	1.80	999.00
07/05/2019 AAI	Call with M. Lem regarding requisition of Shareholder meeting of debtor; Reviewing Corporate Bylaw of Debtor and CBCA; email to M. Lem	1.60	888.00
07/08/2019 AAI	Calls with counsel for Korean Parent and Debtor regarding status of information production	0.30	166.50
07/09/2019 AAI	Reviewing correspondence from Trustee to Debtor and its counsel; call with M. Lem	0.30	166.50
07/10/2019 AAI	Reviewing responses from counsel for Debtor and Counsel for Korean Parent regarding disclosure of information; call with counsel for Korean Parent; call with counsel for Debtor; email to Commercial Court registrar regarding availability of Penny, J; emails from and to counsel for Debtor regarding providing ByLaws; call with immigration counsel regarding retainer for issues regarding Temporary Foreign Workers employed by Debtor	2.90	1,609.50

07/11/2019	AAI	Emails from and to M. Lem; call with M. Lem regarding responses to prior information requests; emails from and to counsel for Debtor; call with counsel for Debtor regarding status of and position on prior information requests; providing copy of By-Laws of Debtor to counsel for Korean Parent	1.80	999.00
07/12/2019	AAI	Emails throughout the day from and to counsel for Debtor and Korean Parent regarding disclosure of documents and status of shareholder meeting and scheduling of court hearing	1.10	610.50
07/15/2019	AAI	Call with counsel for Korean Parent; call with counsel for Debtor; obtaining copies of Articles of Incorporation and providing to counsel for Korean parent; reviewing emails from counsel for Debtor regarding motion and security for costs; emails from counsel for Korean parent regarding 9:30 Court appearance	1.80	999.00
07/15/2019	HVO	Instructions from Alex Ilchenko, obtained copy of incorporation documents from Corporations Canada	0.20	30.00
07/16/2019	AAI	Emails from and to counsel regarding NDA and scheduling of call; call with counsel for Korean Parent	0.80	444.00
07/17/2019	AAI	Reviewing emails from and to counsel for Debtors and Korean parent; attending conference call with all counsel regarding disclosure and use of records	1.20	666.00
07/19/2019	AAI	Reviewing correspondence from counsel for Park, Yoon, Debtor and Korean Parent regarding hearing on July 22 and terms of confidentiality agreements; reviewing revised terms of confidentiality agreements	1.20	666.00
07/22/2019	AAI	Attending at Commercial Court; meeting with other counsel; making submissions to Conway, J; discussing with counsel for Korean Parent safeguarding of books and records; reviewing correspondence from counsel for Korean Parent; call with M. Lem; preparing responding letter; forwarding to M. Lem from review and comment; reviewing jurisprudence interpreting Re Fundy cited by counsel for Korean Parent	3.50	1,942.50
07/22/2019	DMI	Email correspondence with A. Ilchenko and L. Morini re: note-up of New Brunswick case; discussions with L. Morini re: same	0.40	110.00
07/22/2019	LUM	Noted up Fundy Forest Industries Ltd., Re, to determine if cases or other sources have referenced it and what they have said about it; consulted with D. Milivojevic re same; drafted email summarizing reference from each source	1.10	159.50
07/23/2019	AAI	Revising response letter to Counsel for Korean Parent regarding Corporate Records; call with M. Lem; sending letter to counsel for Korean Parent	0.90	499.50
07/26/2019	AAI	Reviewing emails from and to counsel for Debtor and M. Lem; reviewing draft proposal	0.80	444.00
07/29/2019	AAI	Reviewing draft proposal and comments made by M. Lem; adding comments and circulating	1.30	721.50
07/30/2019	AAI	Reviewing revised draft proposal and providing comments; call with M. Lem; call to T. Ullman; reviewing further changes to proposal and responding	1.60	888.00
07/31/2019	AAI	Call with M. Nowina; call with M. Lem; call with D. Ullman	0.80	444.00

AND TO reporting to the Trustee throughout; to all telephone communications, correspondence, memoranda and necessary attendances with respect to the foregoing but not specifically referred to herein; and to the attendance on the taxation of the Trustee's accounts.

<u>Initials</u>	<u>Name</u>	<u>Title</u>	<u>Hours</u>	<u>Billing Rate</u>	<u>Amount</u>
AAI	Alex Ilchenko	Associate	25.00	\$555.00	\$13,875.00
DMI	Dina Milivojevic	Associate	0.40	\$275.00	\$110.00
LUM	Lucas Morini	Student	1.10	\$145.00	\$159.50
HVO	Helen Voinou	TimeKeeper	0.20	\$150.00	\$30.00

**OUR FEES FOR SERVICES RENDERED HERIN**

**FEES (subject to HST)** \$14,174.50

**DISBURSEMENTS (\*\*Subject to HST)**

Government certified copies \$6.00

**Total Disbursements** \$6.00

Total HST on Fees and Disbursements \$1,843.47

**TOTAL AMOUNT CLAIMED FOR FEES & DISBURSEMENTS** \$16,023.97

This is to certify that the Trustee has examined the above Bill of Costs, that the services set out therein have been duly authorized and rendered and that the charges are, in its opinion, fair and reasonable. The gross receipts in this estate, less amounts paid to secured creditors, are \$

We hereby waive notice of the time and place of the taxation of this Bill.

MNP Ltd.

\_\_\_\_\_

APPROVED:

\_\_\_\_\_

INSPECTOR

TAXED AND ALLOWED AT \$ \_\_\_\_\_

this            day of    , 2019

\_\_\_\_\_

REGISTRAR

District of Ontario: Ontario  
Division No.:  
Estate File No.: 32-2480036  
Court File No.: 32-2480036

*ONTARIO*  
***SUPERIOR COURT OF JUSTICE***  
*(IN BANKRUPTCY AND INSOLVENCY)*

IN THE MATTER OF THE  
PROPOSAL OF FT ENE CANADA  
INC.,  
OF THE CITY OF BRANTFORD,  
IN THE PROVINCE OF ONTARIO

**BILL OF COSTS FOR SERVICES RENDERED TO THE TRUSTEE**

August 31, 2019

Statement No.: 197953

TO PROFESSIONAL SERVICES RENDERED ON YOUR BEHALF in connection with the above-noted matter including the following:

Re: **23487-81388 / Bankruptcy Proposal of FT EnE Canada Inc.**

<b>Professional Fees</b>		Hours	Amount
08/01/2019 AAI	Reviewing correspondence from counsel for Park and Company and counsel for Korean Parent; Call with M. Lem; research regarding stay of proceedings under BIA effect on holding of shareholders meeting	1.80	999.00
08/02/2019 AAI	Reviewing letters regarding shareholders meeting received from counsel for J. C. Park, Debtor and Korean Parent and drafting response; calls with M. Lem regarding response letter and filing of Proposal; reviewing proposal as filed; revising response letter and circulating to counsel	3.80	2,109.00
08/05/2019 AAI	Reviewing correspondence from counsel for Korean Parent regarding resolutions passed at Shareholders meeting and correspondence from other counsel	0.90	499.50
08/06/2019 AAI	Call with M. Lem regarding effect of Directors resolutions; calls with counsel for JC Park, Yoon Park, Debtor and Korean Parent; emails from and to all counsel regarding scheduling of Meeting; preparing agenda; call with M. Lem; reviewing emails from counsel for Yoon, Debtor Company and Korean Parent; emails from and to M. Lem	4.40	2,442.00

08/07/2019	AAI	Meeting with M. Lem; Meeting with M. Lem and counsel for Korean Parent and representatives; calls throughout the day with counsel for Yoon, Debtor Company and J.C. Park; reviewing emails from counsel for Korean Parent regarding amendments to Proposal and discussing with him and with M. Lem; emails to and from counsel for Debtor Company regarding proposed amendments	3.80	2,109.00
08/08/2019	AAI	Emails from and to counsel for Yoon, Debtor company and Korean Parent; Calls with counsel for Debtor Company and Yoon; calls with M. Lem regarding resignation of Yoon and replacement of signatories on estate accounts	2.80	1,554.00
08/09/2019	AAI	Attending Conference Call with all counsel and M. Lem regarding amendments to Proposal; discussing with M. Lem Report on proposal and update of financial information	1.10	610.50
08/11/2019	AAI	Reviewing correspondence from counsel for Korean parent; emails from and to M. Lem	0.30	166.50
08/12/2019	AAI	Reviewing and revising draft report; calls with counsel for Company and JC Park regarding revisions to proposal; reviewing jurisprudence regarding ability of related parties to vote on proposal and other votes and meeting of creditors; meeting with J. Percival regarding reasoning in decision of Quebec Court; reviewing translation; calls with M. Lem regarding proposal and report	3.90	2,164.50
08/12/2019	JPE	Review French language court decision (Saargummi) relevant to client matter at request of Alex Ilchenko. Email to Alex Ilchenko confirming accuracy of Morawetz J. summary of Saragummi case and providing highlighted translation of same	0.50	215.00
08/12/2019	LUM	Conducted searches on WestlawNext to find commentary and case references for specific sections of the BIA	0.60	87.00
08/13/2019	AAI	Reviewing and revising multiple drafts of report of Trustee on proposal; calls with counsel for Company and JC Park regarding possible amended proposal; calls with M. Lem and making further revisions to Report; emails from and to M. Lem and company counsel regarding status of payment of statutory remittances; emails with counsel for Korean Parent; circulating report and creditors package to all counsel	5.50	3,052.50
08/14/2019	AAI	Call with counsel for Korean parent regarding Report of Trustee on Proposal; Calls with M. Lem regarding amendments to proposal and procedure at meeting of creditors; multiple calls with counsel for Korean Parent regarding issues with Proposal; multiple calls with counsel for Company; calls with M. Lem; reviewing further revisions to proposal circulated; call with M. Lem on further revisions proposed; reviewing correspondence from counsel for Korean Parent regarding filing amended proposal; conference call with counsel for Company and JC Park regarding terms of proposal and transition plan	4.70	2,608.50
08/15/2019	AAI	Reviewing correspondence regarding transition plan and documentary requests; calls with Matthew Lem; reviewing amended proposal circulated by Korean Parent; discussing with M. Lem; research regarding procedure at meeting	2.50	1,387.50

08/16/2019	AAI	Calls with M. Lem regarding amendments to proposal; multiple calls with counsel for Korean Parent regarding attendance by his clients at premises and issues with Proposal; multiple calls with counsel for Company; obtaining appointment for Court approval of proposal; discussing date for approval hearing; calls with M. Lem; reviewing further revisions to proposal circulated; call with M. Lem on further revisions proposed; reviewing proof of claim and supporting documentation filed by counsel for FT Korea	4.60	2,553.00
08/19/2019	AAI	Call with M. Lem regarding Proof of Claim of Korean Parent Co and amended terms of proposal; call to counsel for Debtor	0.30	166.50
08/20/2019	AAI	Reviewing proof of claim; discussing with J. Russo evidentiary issues for proof of claim calls with all counsel regarding amendments to proposal	2.80	1,554.00
08/20/2019	JRU	Consulted by A. Ilchenko re: admissibility of document that was not translated by an certified official translator	0.40	174.00
08/21/2019	AAI	Reviewing revised proposal circulated by Company and comparing to proposal circulated; calls with M. Lem; call with Counsel for Korean Parent; reviewing correspondence received; reviewing revised cash flow projections	2.30	1,276.50
08/22/2019	AAI	Calls with M. Lem, counsel for Company and counsel for Korean Parent; reviewing further revised version of proposal by Company comparing to proposal provided by Korean Parent and providing comments; preparing for creditors meeting	2.20	1,221.00
08/23/2019	AAI	Meet with M. Lem to review proofs of claim filed, further revised proposal terms and prepare for meeting of creditors; meeting with counsel for Debtor regarding amendments made to proposal; attending meeting of creditors as counsel to Trustee	7.80	4,329.00
08/26/2019	AAI	Reviewing and revising draft minutes from meeting; call with M. Lem; call with counsel for Company regarding amended proposal	0.90	499.50
08/27/2019	AAI	Reviewing further revised proposal and M. Lem amendments; call with M. Lem; email to counsel regarding Trustee amendments; emails from and to counsel for Company regarding proposal amendments	1.50	832.50
08/28/2019	AAI	Reviewing correspondence from and to counsel for the Company and counsel for Korean Parent; reviewing further amendments proposed to Proposal; call with M. Lem; call with counsel for Company	2.30	1,276.50
08/29/2019	AAI	Attending rescheduled meeting of creditors as counsel; revising proposal and meeting with all counsel regarding amendments; reviewing emails from and to counsel for Debtor regarding amended proposal; arranging for hearing date with Commercial List Registrar regarding amended proposal	3.50	1,942.50

AND TO reporting to the Trustee throughout; to all telephone communications, correspondence, memoranda and necessary attendances with respect to the foregoing but not specifically referred to herein; and to the attendance on the taxation of the Trustee's accounts.

<b>Initials</b>	<b>Name</b>	<b>Title</b>	<b>Hours</b>	<b>Billing Rate</b>	<b>Amount</b>
AAI	Alex Ilchenko	Associate	63.70	\$555.00	\$35,353.50
LUM	Lucas Morini	Student	0.60	\$145.00	\$87.00
JPE	Jeffrey Percival	Partner	0.50	\$430.00	\$215.00
JRU	John Russo	Partner	0.40	\$435.00	\$174.00

**OUR FEES FOR SERVICES RENDERED HERIN**

**FEES (subject to HST)** \$35,829.50

**DISBURSEMENTS (\*\*Subject to HST)**

Photocopies/Printing \*\* \$11.75

**Total Disbursements** \$11.75

Total HST on Fees and Disbursements \$4,659.36

**TOTAL AMOUNT CLAIMED FOR FEES & DISBURSEMENTS** \$40,500.61

This is to certify that the Trustee has examined the above Bill of Costs, that the services set out therein have been duly authorized and rendered and that the charges are, in its opinion, fair and reasonable. The gross receipts in this estate, less amounts paid to secured creditors, are \$

We hereby waive notice of the time and place of the taxation of this Bill.

MNP Ltd.

APPROVED:

\_\_\_\_\_

INSPECTOR

TAXED AND ALLOWED AT \$ \_\_\_\_\_

this            day of    , 2019

\_\_\_\_\_

REGISTRAR

## EXHIBIT "B"

### Calculation of Average Hourly Billing Rates of Pallett Valo LLP for the Period

Invoice Date	Fees	Disburs.	HST	Average Hourly Rate	Total
June 28, 2019	\$10,656.00	\$6	\$1,386.06	\$555.00	\$12,048.06
July 31, 2019	\$16,023.97	\$6	\$1,843.47	\$281.25	\$16,023.97
August 31, 2019	\$35,829.50	\$11.75	\$4,659.36	\$391.25	\$40,500.61
Total Fees					<b>\$68,572.64</b>

This is Exhibit B referred to in the  
affidavit of Marty Dhakwood  
sworn before me, this 13<sup>th</sup>  
day of September, 2019

A COMMISSIONER FOR TAKING AFFIDAVITS

Alex Ichniwo



# EXHIBIT "C"

## Billing Rates of Pallet Valo LLP

For the Period

TIMEKEEPER	HOURLY RATE	YEAR OF CALL	HOURS WORKED	TOTAL
Alex Ilchenko, C.S.	\$555	1993	107.9	\$59,884.50
John Russo	\$435	1999	0.4	\$174.00
Jeffrey Percival	\$430	2000	0.5	\$215.00
Dina Milivojevic	\$275	2013	0.4	\$110.00
Helen Voinou	\$150	Clerk	0.2	\$30.00
Lucas Morini	\$145	Student	1.7	\$159.50
		<b>Total</b>	<b>111.1</b>	<b>\$60,573.00</b>

This is Exhibit C referred to in the  
affidavit of Mety Onalund  
sworn before me, this 13  
day of September 2019

A COMMISSIONER FOR TAKING AFFIDAVITS

Alex Ilchenko



Court File No. BK-19-02480036-0032

Estate File No. 32-2480036

**IN THE MATTER OF THE PROPOSAL OF FT ENE CANADA INC., OF THE CITY OF BRANTFORD, IN THE PROVINCE  
OF ONTARIO**

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

PROCEEDING COMMENCED AT  
TORONTO

**SUPPLEMENTARY REPORT TO THE REPORT OF  
TRUSTEE ON PROPOSAL  
(THE FIFTH REPORT TO THE COURT)  
SUBMITTED BY MNP LTD., IN ITS CAPACITY AS  
TRUSTEE *IN RE* THE PROPOSAL OF FT ENE  
CANADA INC.**

**PALLET VALO LLP**  
Lawyers & Trade-Mark Agents  
77 City Centre Drive, West Tower  
Suite 300  
Mississauga, Ontario  
L5B 1M5

**ALEX ILCHENKO, C.S. (LSUC NO. 33944Q)**  
Tel: (905) 273-3300  
Fax: (905) 273-6920

Lawyers for MNP Ltd.