

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

NEW LIFE CAPITAL CORP., NEW LIFE CAPITAL INVESTMENTS INC., NEW LIFE
CAPITAL ADVANTAGE INC., NEW LIFE CAPITAL STRATEGIES INC., 1660690
ONTARIO LTD., 2126375 ONTARIO INC., 2108375 ONTARIO INC., 2126533
ONTARIO INC., 2152042 ONTARIO INC., 2100228 ONTARIO INC. and 2173817
ONTARIO INC.

Defendants

AFFIDAVIT OF G. DIANE STEWART

Sworn November 8, 2011

I, G. DIANE STEWART of the Western District of the Island of New Providence, one of the Islands of The Commonwealth of The Bahamas, Attorney-at-Law, make oath and say as follows:-

1. I am an Attorney qualified to practise law within The Commonwealth of The Bahamas ("The Bahamas") and am a Partner in the firm of McKinney, Bancroft & Hughes ("McKinney"), Bahamian counsel for KPMG Inc., in its capacity as Receiver and Manager (the "Receiver") of the property, assets and undertaking of the Defendants (the "Companies") 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. True copies of the invoices forwarded to the Receiver by McKinney for fees and disbursements incurred by McKinney in the course of the receivership of the Companies between July 14, 2009 and November 7, 2011 (the "Invoices") will be filed with the Court at the return of this motion. McKinney renders its accounts in Bahamian dollars, however, it provides clients with a U.S. dollar equivalent amount for each invoice. I understand that the Receiver's practice has been to settle the accounts rendered by McKinney in U.S. dollars. The Receiver intends to seek an order sealing the Invoices until further order of this Court.

3. The total amount of professional fees being claimed for work performed by McKinney for the period from July 14, 2009 to November 7, 2011 inclusive is \$358,979.75, plus disbursements of \$71,126.44. Attached hereto as Exhibit "A" is a schedule summarizing each of the Invoices, the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.

4. Attached hereto as Exhibit "B" is a schedule summarizing the respective years of call and billing rates, in Bahamian dollars, of each of the lawyers at McKinney who acted for the Receiver.

5. McKinney's fees have been calculated and billed at the firm's standard rates which are periodically adjusted. To the best of my knowledge, the rates charged by McKinney throughout the course of these proceedings are comparable to the rates charged by other law firms in the Nassau market for the provision of similar services.

6. The hourly billing rates outlined in Exhibit "B" to this affidavit are comparable to the hourly rates charged by McKinney for services rendered in relation to similar proceedings.

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

8. That the contents of this Affidavit are correct and true to the best of my information and belief.

SWORN at Nassau,)
New Providence this 8th)
day of November, 2011)

A handwritten signature in cursive script, appearing to read "T. Lewis", written over a dotted line.

BEFORE ME,

A handwritten signature "A. Thompson" in cursive script, with the words "NOTARY PUBLIC" printed in a bold, sans-serif font directly below it.

EXHIBIT "A"

**Summary of Invoices and Calculation
of Average Hourly Billing Rates of
McKinney, Bancroft & Hughes**

For the period July 14, 2009 to November 7, 2011
in Bahamian Dollars unless otherwise stated

	Date	Invoice No.	Fees	Disbursements	Hours	Average Rate	Total	Total USD
1.	Oct. 28/09	1306	24,790.00	\$252.97	74.95	330.75	\$25,042.97	25,138.48
2.	Feb. 24/10	1356	135,516.00	58,904.32 *	423.58	319.93	194,420.32	195,161.52
3.	May 4/10	1359	41,138.25	1,357.48	109.41	376.00	42,495.73	42,436.95
4.	Nov. 1/10	1388	77,412.75	4,515.02	206.79	372.97	81,927.77	82,237.95
5.	May 11/11	1439	16,625.00	1,128.20	42.70	389.34	17,753.20	17,848.00
6.	Sept. 1/11	1455	48,217.25	1,906.03	128.47	375.32	50,123.28	50,128.08
7.	Nov. 7/11	1465	15,280.50	3,062.42	35.08	435.59	18,342.92	18,435.10
			\$358,979.75	\$71,126.44	1,020.98	351.60	\$430,106.19	431,386.08

* Includes stamp duty of USD 56,745.00 which was required to commence the Receiver's legal action in the Bahamas

DETAILED ACCOUNT STATEMENTS TO BE SEALED BY
COURT ORDER

EXHIBIT "B"

**Billing Rates of McKinney, Bancroft & Hughes
for the period July 14, 2009 to November 7, 2011
All Amounts are stated in Bahamian Dollars**

Lawyer	Year of Call	Rate Period 1	Rate Period 2	Rate Period 3	Rate Period 4	Rate Period 5	Rate Period 6	Rate Period 7
Brian M. Moree	1979	700.00	N/S	N/S	N/S	N/S	N/S	N/S
G. Diane Stewart	1985	600.00	600.00	600.00	600.00	600.00	650.00	650.00
Nicole Sutherland-King	2001	N/S	N/S	275.00	N/S	375.00	375.00	375.00
Sean N. Moree	2003	N/S	N/S	225.00	N/S	N/S	N/S	N/S
Justine A. Smith	2005	200.00	200.00	200.00	225.00	225.00	225.00	225.00
Ashley N. Sands	2008	N/S	N/S	175.00	175.00	N/S	175.00	175.00
Janet P. Fountain	2009	N/S	150.00	N/S	N/S	N/S	N/S	N/S

N/S = not provided as the lawyer did not provide any services during the period

Period 1: 14th July, 2009 to 28th October, 2009

Period 5: 1st November, 2010 to 11th May, 2011

Period 2: 29th October, 2009 to 24th February, 2010

Period 6: 12th May, 2011 to 29th August, 2011

Period 3: 25th February, 2010 to 4th May, 2009 2010

Period 7: 2nd September, 2011 to 7th November, 2011

Period 4: 5th May, 2010 to 27th October, 2010

ONTARIO SECURITIES COMMISSION

and

Applicant(s)

NEW LIFE CAPITAL CORP., et al

Respondent(s)

Court File No.: 08-CL-7832

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AFFIDAVIT OF G. DIANE STEWART

Thornton Grout Finnigan LLP
Barristers and Solicitors
Suite 3200, P.O. Box 329
Canadian Pacific Tower
Toronto-Dominion Centre
Toronto, ON M5K 1K7

James H. Grout (LSUC # 22741H 1B)
Danny M. Nunes (LSUC # 53802D)
Tel: 416-304-1616
Fax: 416-304-1313

Solicitors for KPMG Inc., in its capacity as the Receiver and
Manager of New Life Capital Corp., et al