

*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.**

**Respondents**

**AFFIDAVIT OF JAMES H. GROUT**  
*(Sworn November 9, 2011)*

**I, JAMES H. GROUT, of the City of Toronto, MAKE OATH AND SAY AS  
FOLLOWS:**

1. I am a barrister and solicitor qualified to practice law in the Province of Ontario and a partner with Thornton Grout Finnigan LLP (“TGF”), lawyers for KPMG Inc., in its capacity as Receiver and Manager (the “Receiver”) of the property, assets and undertaking of the Respondents (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. Attached hereto as Exhibit "A" are true copies of the invoices forwarded to the Receiver by TGF for fees and disbursements incurred by TGF during the course of the Companies' receivership proceedings for the period December 9, 2008 and September 30, 2011 (the "Invoices"). 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 TGF for the period from December 9, 2008 to September 30, 2011, inclusive, is \$576,974.00, plus disbursements of \$15,619.58, excluding GST/HST. Attached hereto as Exhibit "B" is a schedule summarizing each of the Invoices, the total billable hours charged per invoice, the total fees charged per invoice a

4. Attached hereto as Exhibit "C" is a schedule summarizing the respective years of call and billing rates of each of the lawyers at TGF who acted for the Receiver.

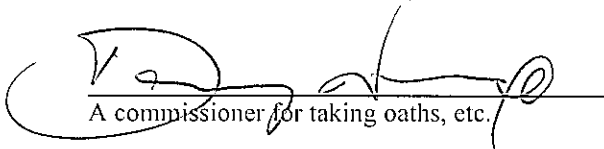
5. TGF's fees have been calculated and billed at a discount of approximately 20% from the firm's standard rates. To the best of my knowledge, the rates charged by TGF throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.

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

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

SWORN BEFORE ME  
at the City of Toronto, in the  
Province of Ontario this 9<sup>th</sup>  
day of November, 2011.

)  
)  
)   
) James. H. Grout

  
A commissioner for taking oaths, etc.  
DANNY NUNES

# **EXHIBIT “A”**

**DETAILED ACCOUNT STATEMENTS TO BE SEALED BY  
COURT ORDER**

## **EXHIBIT “B”**

**EXHIBIT "B"**

**Calculation of Average Hourly Billing Rates of  
Thornton Grout Finnigan LLP  
for the period December 9, 2008 to September 30, 2011**

<b>Invoice No.</b>	<b>Fees</b>	<b>Disbursements</b>	<b>GST/HST</b>	<b>Hours</b>	<b>Average Rate</b>	<b>Total</b>
20393	\$6,616.00	\$28.25	\$332.21	11.70	565.50	\$6,976.46
20584	\$17,174.00	73.92	\$862.40	43.90	391.20	\$18,110.32
20768	\$690.00	00.00	\$34.50	1.60	431.30	\$724.50
20774	\$15,924.00	807.11	821.89	47.70	333.80	\$17,553.00
21126	\$40,198.00	356.18	2,020.46	108.90	369.10	\$42,574.64
21241	\$17,444.00	527.08	\$898.55	56.80	307.10	\$18,869.63
21430	\$13,910.00	127.74	701.89	30.50	456.10	\$14,739.63
21540	15,280.00	30.14	765.51	36.00	424.40	\$16,075.65
21724	23,795.00	679.55	1,217.09	67.70	351.50	\$25,691.64
21879	\$34,278.00	326.20	1,723.86	90.50	378.70	\$36,328.06
22004	15,650.00	282.11	791.48	37.00	447.60	\$16,723.59
22182	12,426.00	86.99	622.45	30.30	410.10	\$13,135.44
22280	11,086.00	1,059.08	591.10	31.80	348.60	\$12,736.18
22392	\$53,570.00	2,122.09	2,767.86	119.70	447.60	\$58,459.95
22524	36,572.00	2,476.07	1,900.01	83.00	440.60	\$40,948.08
22628	41,596.00	1,328.91	2,112.10	103.6	401.50	\$45,037.01
22719	27,140.00	1,267.94	1387.99	60.80	446.40	\$29,795.93
22882	18,910.00	2,014.18	1,024.80	42.70	463.90	\$21,948.98
22947	11,114.00	38.39	555.85	25.70	432.50	\$11,708.24
23146	13,184.00	607.66	1,792.92	28.40	464.20	\$15,584.58
23262	16,044.00	149.16	2,105.11	40.20	399.10	\$18,298.27
23382R	8,082.00	68.66	1059.59	15.30	528.20	\$9,210.25
23482	3,130.00	12.79	408.56	7.30	428.80	\$3,551.35
23585	\$8,076.00	18.50	1,052.29	17.40	464.20	\$9,146.79
23686	\$8,382.00	4.25	1090.21	21.90	382.70	\$9,476.46
23784	\$7,676.00	26.00	1,001.26	13.30	577.10	\$8,703.26
23910	3419.00	00.00	444.47	5.60	610.60	\$3,863.47

23991	\$3,908.00	30.50	512.01	7.90	494.70	\$4,450.51
24140	18,578.00	00.00	\$2,415.14	48.60	382.30	\$20,993.14
24174	\$9,688.00	115.52	1,274.46	22.80	424.90	\$11,077.98
24214	\$442.00	00.00	\$57.46	1.30	340.00	\$499.46
24298	\$5792.00	00.00	\$752.96	12.80	452.50	\$6,544.96
24426	\$18,092.00	98.71	2364.79	43.80	413.10	\$20,555.50
24568	\$17,776.00	692.65	2367.03	42.40	419.20	\$20,835.68
24655	\$21,332.00	163.25	2794.38	44.90	475.10	\$24,289.63
	<b>\$576,974.00</b>	<b>\$15,619.58</b>	<b>\$42,624.64</b>	<b>1,403.80</b>		<b>\$635,218.22</b>

**EXHIBIT “C”**

**EXHIBIT "C"**

**Billing Rates of Thornton Grout Finnigan LLP**

For the period December 9, 2008 to December 31, 2008

	<u>Rate</u>	<u>Year of Call</u>
James H. Grout	\$580.00	1983
Seema Aggarwal	\$240.00	2005

For the period January 1, 2009 to December 31, 2009

	<u>Rate</u>	<u>Year of Call</u>
James H. Grout	\$650.00	1983
Michael Barrack	\$650.00	1982
Seema Aggarwal	\$300.00	2005
Danny M. Nunes	\$250.00	2007
Sara-Ann Wilson	\$180.00	2008
Stephen Wolpert	\$160.00	Articling Student
Emily Fan	\$180.00	Articling Student
Alana Shepherd	\$180.00	Articling Student
Annette Fournier	\$180.00	Law Clerk

For the period January 1, 2010 to December 31, 2010

	<u>Rate</u>	<u>Year of Call</u>
James H. Grout	\$700.00	1983
Deborah Palter	\$460.00	1996
Seema Aggarwal	\$340.00	2005
Alana Shepherd	\$180.00	Articling Student
Jesse Razaqpur	\$180.00	Articling Student
Annette Fournier	\$220.00	Law Clerk

For the period January 1, 2011 to September 30, 2011

	<u>Rate</u>	<u>Year of Call</u>
James H. Grout	\$740.00	1983
Seema Aggarwal	\$360.00	2005
Danny M. Nunes	\$340.00	2007
Sandra Reid	\$200.00	Articling Student

ONTARIO SECURITIES COMMISSION

and

NEW LIFE CAPITAL CORP. et al.

Applicant

Respondents

Court File No.: 08-CL-7832

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced at **Toronto**

**AFFIDAVIT OF JAMES H. GROUT**

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