

COURT FILE NUMBER

1455 of 2019

COURT

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE

SASKATOON

APPLICANTS

IN THE MATTER OF SECTION 204 OF *THE BUSINESS CORPORATIONS ACT*, RSS 1978, c B-10

AND IN THE MATTER OF THE VOLUNTARY LIQUIDATION AND DISSOLUTION OF PRIMEWEST MORTGAGE INVESTMENT CORPORATION

DOCUMENT

**SECOND REPORT OF THE LIQUIDATOR
NOVEMBER 19, 2020**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT

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1. INTRODUCTION AND PURPOSE OF REPORT

1. PrimeWest Mortgage Investment Corporation (“**PrimeWest**” or the “**Corporation**”) was incorporated under *The Saskatchewan Business Corporations Act* on March 22, 2005 and commenced operations in October of 2005 as a Mortgage Investment Corporation (“**MIC**”).
2. The Corporation provided lending on security of mortgages on real properties situated in Saskatchewan, Manitoba and Alberta. The mortgages transacted by the Corporation did not generally meet the underwriting criteria of conventional lenders. As a result, the Corporation’s investments were subject to a greater risk and accordingly earned a higher rate of interest than is typical with conventional mortgage lending activities.
3. In June of 2016, the contract of the then-President and CEO of the Corporation, Mr. Don Zealand (“**Zealand**”), was terminated, and an interim CEO was engaged, effective August of 2016. Subsequently, an in-depth review of the Corporation’s portfolio was performed, which included updated appraisals of properties on which the Corporation’s loans were secured (the “**Portfolio Review**”).
4. The Portfolio Review revealed that a number of mortgage loans were under-secured and non-compliant with the Corporation’s lending guidelines and policies. As a result, the Corporation was required to increase its loan loss provision by over \$4 million for the year and suspend payment of dividends to shareholders for the first time in its history.
5. The interim CEO subsequently resigned in May of 2017 and was replaced by the Corporation’s CFO.
6. In response to the Portfolio Review, in October of 2017 the Corporation filed a Statement of Claim against Zealand, claiming a breach of the Corporation’s corporate policy, gross negligence and breach of fiduciary duty while he was President and CEO (the “**Zealand Action**”). Zealand denies all the allegations and has filed a counterclaim against the Corporation for wrongful dismissal. A defence to the counterclaim has been filed by the Corporation’s solicitors.
7. Throughout 2017 and 2018, the Corporation initiated a number of steps to attempt to improve its financial position, including extensive cost cutting, initiation of foreclosure proceedings on non-performing mortgage loans and pursuit of new investments and capital into the Corporation.

8. Such efforts did not result in significant financial improvement and, in June of 2018, the Corporation sought to sell its entire portfolio of assets. No acceptable proposals were received, culminating in the engagement of KPMG Inc. (“**KPMG**”) by the board of directors (the “**Board**”) on or about May 29, 2019, to evaluate potential strategies for the Corporation.
9. Following KPMG’s analysis and recommendations, the Corporation determined that an orderly liquidation pursuant to Section 204 of *The Business Corporations Act*, RSS 1978, c B-10 would be the most effective means of winding up the Corporation.
10. On September 24, 2019, at an annual and special meeting of the shareholders of the Corporation, a detailed liquidation plan was presented to and approved by the shareholders (the “**Liquidation Plan**”).
11. The Liquidation Plan provides a mechanism to:
 - a) Cease operations in an efficient and definitive manner;
 - b) Safeguard the current assets of the Corporation and move to realize them in due course;
 - c) Establish a claims process by which to address all Claims in a timely and cost-effective manner; and
 - d) Make distributions to creditors and, in the event of there being remaining equity, to shareholders in as expedited and equitable a manner as possible.
12. The voluntary liquidation and windup of the Corporation commenced effective October 24, 2019 (the “**Effective Date**”), at 5:00PM CST. At that time, all powers of the Corporation’s directors ceased and the directors were deemed to have resigned. KPMG was appointed as liquidator (the “**Liquidator**”).
13. On October 31, 2019, the Court of Queen’s Bench for Saskatoon (the “**Court**”) issued an order (the “**Order**”) approving the Liquidation Plan and affirming the appointment of KPMG as Liquidator. The Order further appointed former directors of PrimeWest, Tom Robinson, Wilson Olive, Francis Bast and Tom Archibald, as inspectors of the Corporation’s liquidation (collectively, the “**Inspectors**”).
14. On December 18, 2019, the Liquidator filed its first report (the “**First Report**”), which described, among other things:
 - a) The Company’s primary assets and liabilities;

- b) The Receiver's activities to date;
 - c) The Company's interim receipts and disbursements from October 31, 2019, to December 20, 2019, including a discussion of professional fees incurred to date by the Liquidator and its counsel; and
 - d) The Liquidator's proposed claims process for the identification, resolution and barring of claims (the "**Claims Process**").
15. On January 10, 2020, the Court issued an order (the "**Claims Process Order**") approving the Claims Process.
16. This is the Liquidator's second report (the "**Second Report**") to the Court. This Second Report has been prepared to provide an update to the Court in respect of:
- a) The activities of the Liquidator since the First Report;
 - b) An update on the Claims Process and resolution of outstanding claims; and
 - c) The Liquidator's interim statement of receipts and disbursements from October 31, 2019 to November 13, 2020, including a discussion of professional fees incurred to date by the Liquidator and its counsel.
17. Further background and information regarding the Corporation and these liquidation proceedings, including a copy of the Order and the Liquidation Plan, which forms Schedule "A" thereto, can be found on the Liquidator's website at <https://home.kpmg/ca/primewest> (the "**Liquidator's Website**").

18. In preparing this Second Report and making the comments herein, the Liquidator has been provided with, and has relied upon certain unaudited, draft and/or internal financial information, Corporation records, Corporation-prepared financial information and projections, discussions with management (“**Management**”) and employees, and information from other third party sources (collectively, the “**Information**”).
19. The Liquidator has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. The Liquidator has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CAS**”) pursuant to the *Chartered Professional Accountants Handbook*, and accordingly the Liquidator expresses no opinion or other form of assurance in respect of the Information.
20. Some information referred to in this Second Report may consist of forecasts and projections, which were prepared based on Management’s estimates and assumptions. Such estimates and assumptions are, by their nature, not ascertainable and as a consequence no assurance can be provided regarding the forecasted or projected results. The reader is cautioned that the actual results will likely vary from the forecasts or projections, even if the assumptions materialize, and the variations could be significant.
21. The information contained in this Second Report is not intended to be relied upon by any prospective purchaser or investor in any transaction with the Corporation.
22. Capitalized terms not otherwise defined herein are as defined in the Order, the Liquidation Plan or the First Report. This Second Report should be read in conjunction with the materials posted on the Liquidator’s Website, as certain information has not been included herein to avoid unnecessary duplication.
23. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

2. CLAIMS PROCESS

24. The Claims Process was approved by an order of the court on January 10, 2020 (the “**Claims Process Order**”). The Claims Process Order can be found on the Liquidator’s Website, and all terms not otherwise defined herein have the meanings ascribed to them in the Claims Process Order.

Notice and Filing Proofs of Claim

25. Pursuant to the Claims Process Order, the Liquidator sent the Claims Package to each Creditor on or before January 15, 2020. Concurrently, the Liquidator published a Notice to the Creditors of the Claims Process on January 17, 2020 in the *Saskatoon StarPhoenix*, the *Regina Leader-Post* and in the *National Post* and posted electronic copies of all documents relating to the Claims Process on the Liquidator’s Website.
26. The deadline for submission of completed Proofs of Claim to the Liquidator was 4:00 p.m. (Saskatchewan Time) on Tuesday March 10, 2020 (the “**Claims Bar Date**”).

Identification, Resolution and Barring of Claims

27. By the Claims Bar Date, the Liquidator was able to identify the universe of claims against the Corporation as further detailed below.

Deemed Proven Claims

28. The Claims Process Order provided that, notwithstanding anything else in the Claims Process Order, should the Liquidator provide a Claim Amount Notice to a Creditor setting forth the amount of any Claim against the Corporation according to the books and records of the Corporation, that amount would be deemed to be Proven Claims unless objected to by the Creditor on or before the Claims Bar Date (the “**Deemed Proven Claims**”). The following Claims, having not been objected to, became Deemed Proven Claims:

PrimeWest General creditor claims	
Claims	Amount
Olive Waller Zinkhan & Waller LLP	7,776
Kanuka Thuringer LLP	6,120
Computershare	6,070
Miller Thompson LLP (Alberta)	367
Century management & Development Corporation	236
Shred it International Inc.	188
City of Saskatoon	174
Sask Power	21
Toshiba Tec Canada Business solutions Inc.	17
Total	20,969

29. Upon further review, the Liquidator later determined that the Claim of Olive Waller Zinkhan & Waller LLP was in relation to ongoing legal advising in the ordinary course of the business of the Corporation and, therefore, the Liquidator paid the Claim in the ordinary course pursuant to the Liquidation Order, and not as part of the Claims Process.

Claims Relating to Ongoing Legal Proceedings

30. In addition to the above, the Liquidator received the following Claims in respect of ongoing legal proceedings:

PrimeWest claims from legal cases	
Claims	Amount
Claims against company	
Debbie Burwash	331,807
Richardson GMP Limited	250,000
Granite Enterprises	158,076
Subtotal	739,883
Claims against the Company, the directors and officers	
Don Zealand	605,000
Ernst and Young	Unknown
Subtotal	605,000
Claims against the Company by the directors	
Danny Anderson	Unknown
Doug Frondall	Unknown
Francis Bast	Unknown
Irene Seiferling	Unknown
Mike Hough	Unknown
Tom Archibald	Unknown
Tom Robinson	Unknown
Wilson Olive	Unknown
Total	1,344,883

31. The status of the above Claims (as will be discussed in further detail below) is as follows:
- a) In regard to the Claims against the Company, each of the Claimants has been advised that, pursuant to paragraph 22 of the Claims Process Order, the Liquidator will, in due course, apply to the Court for direction in regard to each Claim, pending the outcome of certain extant proceedings regarding the Merchant Law Claim, as more particularly described below;
 - b) In regard to the Claims against the Company and its directors and officers, each of the Claimants has been advised that, pursuant to paragraph 22 of the Claims Process Order, the Liquidator will, in due course, apply to the Court for direction in regard to each Claim, pending the outcome of certain extant proceedings regarding the Merchant Law Claim, as more particularly described below; and
 - c) In regard to the Claims against the Company by the directors, the Liquidator has determined that each of the allegations contained in such Claims constitutes a Claim against the Company, and has advised the Claimants that no further action is required by any of them at the present time. The Liquidator will notify the Claimants once anything further is required, pending the outcome of certain extant proceedings regarding the Merchant Law Claim, as more particularly described below.

Merchant Law Claim

32. On June 12, 2018, Mr. Anthony Merchant, Q.C., of the Merchant Law Group LLP (“**Merchant**”) issued a statement of claim in the Court of Queen’s Bench, which is currently an uncertified class action against the current and previous directors of PrimeWest, and Ernst & Young Inc. (“**EY**”) as the auditors of PrimeWest (the “**Class Action**”). The representative plaintiff in the Class Action is Randy Koroluk and the proposed class are the current and former shareholders of PrimeWest. The Class Action alleges multiple causes of action against the current and previous directors of PrimeWest and EY.
33. On January 15, 2020, the Liquidator wrote to Mr. Merchant stating that “Randy Koroluk had been identified by the Liquidator as a creditor” of PrimeWest and must file a Proof of Claim on before the Claims Bar Date of March 10, 2020 (as set out in the Claims Process Order).

34. On January 31, 2020 the Liquidator received an Appearance Day Notice from Merchant seeking an order that the Class Action be excluded from the Liquidation Proceedings. Subsequently, a hearing on this matter was scheduled for March 19, 2020, at 10 a.m. The Court was then closed because of the COVID-19 Pandemic.
35. On May 22, 2020 the Liquidator's counsel brought an application for advice and directions to determine whether the Class Action should be included in the Liquidation Proceedings pursuant to the Claims Process Order.
36. On July 7, 2020 the Court heard the respective applications (as referenced above) and held that the Class Action should be included in the Liquidation Proceedings and that Randy Koroluk, the representative plaintiff in the class action, was required by the terms of the Claims Process Order to file with the Liquidator a Proof of Claim within 30 days and that the Claims Bar Date was extended to August 7, 2020 in the case of the Class Action Claim.
37. Merchant filed an appeal with the Saskatchewan Court of Appeal on July 22, 2020 regarding the Court's determination that the Class Action is properly included in the Liquidation Proceedings (the "**Merchant Appeal**"). Merchant also filed an application with the Saskatchewan Court of Appeal (the "**Court of Appeal**") seeking a declaration that his client was not required to apply for leave of the Court in order to pursue the said appeal (the "**Interim Application**").
38. On August 6, 2020, Merchant filed two proofs of claim attached hereto as **Appendix "A"**.
39. The Liquidator reviewed the two Proofs of Claim filed by Merchant and determined that they meet the definition of a Claim as defined in Article 1.1 of the Liquidation Plan and, on August 21, 2020, the Liquidator advised Merchant accordingly, a copy of which is attached hereto as **Appendix "B"**.
40. On August 28, 2020, the Court of Appeal rejected the Interim Application and confirmed that the Merchant Appeal had been filed without leave.
41. On September 11, 2020, the Liquidator's counsel applied to the Court of Appeal requesting that the Merchant Appeal be quashed based on Merchant's failure to seek leave of the Court, and the corresponding lack of merit and importance of the Merchant Appeal (the "**Motion to Quash**").
42. On November 16, 2020, a full three-member panel of the Court of Appeal heard the Motion to Quash with the Liquidator's counsel and Mr. Merchant making full submissions. Following these

submissions, the Court of Appeal advised that it would be further reviewing the materials filed and reserving its final decision on the Motion to Quash until a later unspecified date.

Granite, Burwash and GMP Limited

43. On May 9, 2018, Mr. David Brundige, Q.C. (“**Brundige**”) issued a statement of claim on behalf of Granite Enterprises Inc. (the “**Granite Claim**”) seeking damages in the amount of \$150,000 against PrimeWest and the mortgage broker, P.I. Financial, alleging losses and damages relating to shares purchased by the plaintiff in the Corporation.
44. On June 29, 2018, Brundige, also issued a statement of claim on behalf of Debbie Gloria Burwash (the “**Burwash Claim**”), seeking damages in the amount of \$250,000 against PrimeWest and the mortgage broker, Richardson GMP Limited (“**GMP**”), alleging losses and damages relating to shares purchased by the plaintiff in the Corporation. GMP, the co-defendant in the Burwash action, has filed a Proof of Claim in respect of its cross-claim against PrimeWest, which will either be addressed through a settlement or, ultimately, through a prescribed court process to be established by the Liquidator and its counsel in the Liquidation Proceedings.
45. The Liquidator has delivered responses to the Granite Claim and Burwash Claim stating that their respective Proofs of Claim cannot be determined summarily by the Liquidator and will ultimately be placed before the Court as prescribed by the Claims Process).
46. Settlement discussions are presently underway in regard to both the Granite Claim and the Burwash Claim.

EY

47. A Proof of Claim was filed on behalf of EY against the Corporation in the Claims Process (the “**EY Claim**”).
48. The EY Claim comprises multiple causes of action and complex legal doctrines and, accordingly, cannot be summarily determined by the Liquidator without a prescribed court process. Accordingly, the Liquidator has delivered a response to counsel to EY that of the EY Claim cannot be determined summarily by the Liquidator and, thus, will ultimately be placed before the Court (as prescribed by the Claims Process).

Don Zealand

49. A Proof of Claim was filed on behalf of Zealand in the Claims Process. The Proof of Claim included a draft Amended Counterclaim against Dan Anderson, Tom Archibald, Francis Bast, Doug Frondall, Mike Hough and Irene Seiferling, all former directors of the Corporation. That Amended Counterclaim has not, to the knowledge of the Liquidator, been issued by the Court or served upon the named directors. Counsel for the Liquidator has forwarded the Proof of Claim of Zealand and the response to that Proof of Claim to Amanda Quayle, Q.C., counsel to the former directors of the Corporation.
50. The Liquidator has delivered a response to counsel for Zealand to the effect that Zealand's Proof of Claim cannot be determined summarily by the Liquidator and, thus, will ultimately be placed before the Court (as prescribed by the Claims Process).

Claims Against the Company by Former Directors

51. The Claims filed by the former directors of the Corporation relate to the indemnities provided by PrimeWest to such former directors against liability in the performance of their duties.
52. The Liquidator has reviewed the Proof of Claim filed on behalf of each of the Directors and has determined that each meets the definition of a Claim, and each such Claim was therefore allowed in an amount to be determined, pending the outcome of the Merchant Appeal and, ultimately, the Class Action.

3. SALE OF ASSETS

Condominium sales

52. At the date of appointment, the Company owned eleven condos in Regina. The Liquidator has been actively marketing these condos for sale throughout the liquidation and has, to date, closed transactions on eight of these.
53. Three units remain, all of which are empty. One condo has been conditionally sold with the transaction expected to close on or about November 18, 2020. In addition, there are four parking stalls remaining for sale. The Liquidator is actively marketing the remaining units and the parking stalls.

Mortgage portfolio

54. As at September 30, 2019, the Company had a total of 17 mortgages in its portfolio, comprised of five mortgages on commercial properties and 12 mortgages on residential properties. The mortgages bear interest ranging from 5% to 13% per annum, with varying maturity dates, some as late as November of 2021.
55. The Liquidator received payouts on two residential mortgages, one for \$8,500 on November 7, 2019 and one for \$250,000 on August 25, 2020.

Outstanding Loans

56. There are four loans upon which payments are being maintained. These loans total approximately \$80,000 and are being repaid at a rate of approximately \$2,000 per month.
57. The Liquidator has held settlement discussions with all four parties. One party is currently negotiating a lump sum settlement, but the other three parties appear unwilling or unable to conclude a settlement.

Judicial sales

58. The Company has four properties that are subject to judicial sales and foreclosure proceedings, as outlined below.

Property at 208 – 6th Avenue West Maidstone, SK

59. The *order nisi* for judicial sale on this property expired in mid-November, 2020. There has been little interest in this property, no viewings for two months and the asking price has been reduced to \$135,000. Given the expired *order nisi*, the Liquidator intends to advise the Court that PrimeWest will forego its right to a deficiency judgment if the Court will allow the judicial sale listing period to be extended. There is little upside to a judgement as the only way to enforce on these debtors is through a seizure of wages which, typically, results in a bankruptcy and limited, if any, recovery.

Corner of highway #1 and highway 39, Moose Jaw, SK

60. This property is currently listed but after recent discussions with the realtor the listing price is likely to be significantly reduced given current market trends. The order will expire at the end of November and the Liquidator is in planning to ask for an extension to the order and a significant reduction in list price.

538 8th Avenue, Regina, SK

61. This property has been conditionally sold and it is expected to close on December 22, 2020.

1422 Scarth Street Regina, SK

62. The Liquidator collected \$60,000 and \$190,000 from the borrower on May 14th and August 25, 2020 respectively. This mortgage is now discharged.

Judgments

63. PrimeWest has obtained judgments against certain parties, and the Liquidator has commenced and or continued proceedings against certain other parties, for shortfalls or unpaid amounts owing to PrimeWest, regarding which the Liquidator will report to the Court in due course.

Ongoing Court Actions

64. PrimeWest is seeking judgment in the amount of \$233,000 from Andrew Anindo, 101010610 Saskatchewan Ltd. and Cross Appraisals Inc. for breach of contract and/or negligence relating to certain transactions. The Liquidator has instructed counsel proceed with obtaining an expert witness in support of a summary judgment application to determine the matter.

4. INTERIM RECEIPTS AND DISBURSEMENTS

65. Below is a summary of the Liquidator's interim statement of receipts and disbursements for the period October 31, 2019, to November 13, 2020 (the "SRD"). The complete SRD is attached hereto as Appendix "C".

Interim Statement of Receipts and Disbursements	
October 31, 2019 to November 13, 2020	
	Amount (CAD \$)
Cash Receipts	
Asset sale proceeds	2,720,874
Opening balance	1,775,312
Mortgage payouts	258,500
Other collections	133,185
Mortgage receipts	46,090
Interest	1,432
Total cash receipts	4,935,393
Cash Disbursements	
Liquidator's fees	305,443
Liquidator's counsel fees	213,308
Legal fees for PrimeWest	171,882
Payroll, wages and contractors	133,425
GST PST and municipal taxes paid	121,647
Commission	108,920
Inspector fees	43,500
Insurance	28,827
Consulting	19,047
Software and hardware	11,821
Rent	8,400
Utilities	3,557
Advertising	3,029
Security	2,114
Bank fees	1,182
Storage	1,134
Repairs and maintenance	506
Total cash disbursements	1,177,741
Excess receipts over disbursements	3,757,652

66. Receipts relate primarily to the refinancing of the Corporation's mortgage receivables by other financial institutions, as well as regular payments made by customers in the Corporation's current mortgage portfolio.
67. The disbursements during the Liquidation period have primarily related to the ongoing proceedings by the Corporation, as well as costs related to head office activities such as rent and utilities, payroll, software and so forth.
68. The Liquidator anticipates future receipts to be generated primarily from:
 - a) Sales proceeds from assets taken in settlement of debt;
 - b) Regular payments received from mortgage receivables;
 - c) Payouts of mortgages and loan receivables; and
 - d) Proceeds of mortgage enforcement proceedings.
69. The Liquidator anticipates future disbursements required for the administration of the Liquidation to consist mainly of:
 - a) Employee salary;
 - b) Remuneration of Inspectors;
 - c) Commissions to realtors;
 - d) Fees and disbursements of the Liquidator and its counsel; and
 - e) Legal costs related to ongoing proceedings by the Corporation.

5. FEES AND DISBURSEMENTS OF THE LIQUIDATOR AND ITS COUNSEL

70. The Liquidator and the Liquidator’s Counsel have billed fees and disbursements of \$262,455 and \$201,877, respectively, inclusive of GST and PST (collectively, the “**Liquidation Professional Fees**”). Disbursements for the Liquidator include \$10,159 related to business expenses such as utilities, mail forwarding, lawyer fees for ongoing matters and other costs. Due to the COVID-19 Pandemic the Liquidator was unable to issue cheques from the Liquidator’s account for a period of time. The fees and disbursements have been approved by the Inspectors and have been paid.

Liquidation Professional Fees Summary						
Service Period	Fees	Disbursements	GST	PST	Total	
Liquidator						
November 18, 2019 - February 28, 2020	143,205	6,197	7,470	8,592	165,465	
March 2, 2020 - July 7, 2020	47,600	4,267	2,593	2,856	57,316	
July 2, 2020 - September 17, 2020	29,465	6,636	1,805	1,768	39,674	
Total Liquidator's Fees	220,270	17,100	11,868	13,216	262,455	
Liquidator's Counsel						
March 5, 2019 - March 19, 2019	3,735	113	189	225	4,262	
November 18, 2019 - January 28, 2020	35,733	1,680	1,796	2,144	41,352	
January 30, 2020 - March 11, 2020	25,954	-	1,298	1,557	28,809	
March 13, 2020 - July 14, 2020	69,180	10,434	3,526	4,162	87,302	
July 16, 2020 - September 9, 2020	35,930	258	1,808	2,156	40,152	
Total Liquidator's Counsel Fees	170,532	12,484	8,617	10,244	201,877	
Total Professional Fees	390,802	29,584	20,485	23,460	464,331	

71. Copies of the invoices described herein, including detailed time analysis, are attached as **Appendix “D”**.
72. The Liquidator is of the view that, in light of the nature and value of the Assets, and the volume and complexity of the issues overseen by the Liquidator with the advice of its counsel, the Liquidation Professional Fees are fair and reasonable.

6. CONCLUSION AND RECOMMENDATIONS

73. The Liquidator submits this Second Report, respectfully requesting that the Court:
- a) Approve the Second Report and the activities of the Liquidator as set out herein;
 - b) Approve the Liquidation Professional Fees for the period of November 18, 2019 to September 17, 2020; and
 - c) Approve the interim statement of receipts and disbursements for the period of October 31, 2019 to November 13, 2020.

This Report is respectfully submitted this 19th day of November, 2020.

KPMG Inc.

**In its capacity as Liquidator of
PrimeWest Mortgage Investment Corporation
and not in its personal or corporate capacity.**



Per: Neil Honess
Senior Vice President

APPENDIX "A"

PROOFS OF CLAIM FILED BY MERCHANT



2401 Saskatchewan Drive
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(306) 539-7777

August 6, 2020

KPMG Inc.
Suite 3100, 205 - 5th Ave SW
Calgary, AB T2P 4B9

Via Email cpimienta@kpmg.ca

Attention: Cristina Pimienta

Dear Ms. Pimienta:

**RE: Q.B. No. 1455 of 2019 - In the Matter of the Voluntary Liquidation and Dissolution of Primewest Mortgage Investment Corporation
Statement of Account - Schedule "A"
Our File # 77000646**

We represent Randy Koroluk, the representative plaintiff and the class in the action filed under QBG 1455 of 2018 against the directors of PrimeWest Mortgage Investment Corporation ("PrimeWest"). A copy of the Amended Statement of Claim is enclosed.

The class consists of two sub-groups: 1- Those who invested and should have been warned that the Net Asset Value was much lower than the directors, the company and Ernst & Young first indicated; and 2- the larger group, all the shareholders.

Hence we are filing two proofs of claim.

The general principle of damages is to place the class in the position they would have been in had they not suffered the wrong: *Dodd Properties (Kent) Ltd. v Canterbury City Council*, [1980] 1 WLR 433 (Eng QB); *Cyr v Kopp*, 2016 BCSC 679.

Damages are to be assessed at the time of loss: *Jens v Mannix Co.*, 1986] 5 WWR 563 (BCCA), para 11. This is not a fixed rule. Courts can set a date for assessing damages: *Neher v Marathon Homes Inc.*, 2011 CarswellAlta 197 (Alta QB).

The Court is not concerned with the mathematically measurable damages, but with reasonable damages: *Abraham v Wingate Properties*, 1985 CarswellMan 215 (Man CA).

Difficulty in assessment is neither a bar nor a justification for nominal damages: *Campobello Fisheries Ltd. v Jackson Brothers Ltd.*, [1992] 132 NBR (2d) 91 (NBQB); *Hyman v Kinkel*, 1939 CarswellOnt 103 (SCC).

In the absence of an actuarial assessment, a lump sum may be awarded: *Nicholson v Nova Scotia (Attorney General)*, [1991] 110 NSR (2d) 181 (NSTD) (affirmed on appeal).

Without evidence of a clear and certain quantum, the quantum may be little more than a guess: *Penvidic Contracting Co. v International Nickel Co. of Canada Ltd.*, 1975 CarswellOnt 299 (SCC).

Most of our causes of action relate to breach of duty. Hence, most translate as negligence. In so far as we plead breach of statutory duty, pursuant to the Canadian Encyclopedic Digest, *Damages IV.22*, para 576 such breach is considered in the context of the law of negligence.

In *321665 Alberta Ltd. v Mobil Oil Canada Ltd.*, 2013 ABCA 221 the Court held:

Damages "at large" is an approach that arises when the nature of the tort has made it impossible for the plaintiff to prove damages with precision...But the outcome must still reasonably approximate actual or foreseeable loss, or else it becomes disconnected from its foundational rationale.

I first discuss the second group.

The Proof of Claim requests the amount by which the Debtor is indebted to the creditors as at October 25, 2019. The closest preceding value to that date available through the Canada Securities Exchange ("CSE") is October 19, 2019 at \$1.31/share.

Our claim pertains to mismanagement and waste that is evident from the CSE's charts. From July 2, 2016 until September 10, 2016 the share price remained stable at \$9.60 per share.

The date of the class' claim is approximately the date of issue of the statement of claim, i.e. June 12, 2018. The closest preceding value to that date available through the CSE is March 31, 2018 at \$1.63/share.

Pursuant to the *Condensed Interim Financial Statements (Unaudited)*, three and six months ended June 30, 2018, available through the CSE, paragraph 8(b) stipulates that there were 1,890,729 shares in issue around June 12, 2018.

Pursuant to the *Condensed Interim Financial Statements (Unaudited)*, three and six months ended September 30, 2016, available through the CSE, paragraph 8(b) stipulates that there were 1,890,729 shares in issue around September 10, 2019.

The number of shares in issue remained unchanged.

PrimeWest's market capitalization according to CSE values was \$18,150,998.40 on September 10, 2016, calculated as the product of the number of shares in issue and their traded value.

The market capitalization according to CSE values was \$3,081,888.27 on June 12, 2016, calculated the same way.

The difference is \$15,069,110.13. This is the amount of realistic losses, i.e. based on values an investor would have received if trading those shares on the open market.

I now discuss the second group. The Net Asset Value of PrimeWest was \$10.00/share since the spring of 2016, and was reduced to \$6.50/share by the Listing Application. Our Amended Statement of Claim addresses this:

29. The Listing Application also released April 3, 2017 lists the Defendants Fondall, Robinson, and Bast as the Audit Committee for Prime West.

30. The Listing Application reduced the Net Asset Value of Prime West to \$6.50 per share. This was a significant reduction from the price of \$10.00 per share that had been in place since spring 2016. At this time, all share dividends and redemptions were suspended.

Pursuant to the *Condensed Interim Financial Statements (Unaudited)*, three months ended March 31, 2017, paragraph 9(b), the number of issued shares remained unchanged. At a \$3.50 discount on the Net Asset Value, loss is equal to \$6,617,551.50.

Pursuant to the fiat of Mr. Justice Gabrielson on July 7, 2020 these claims are included in this liquidation.

Yours truly,

MERCHANT LAW GROUP LLP

Per:



E.F. Anthony Merchant, Q.C.

CC - Mike Russell, The W Law Group

NOTICE TO CREDITOR

January 16, 2019

RE: IN THE MATTER OF A CLAIMS PROCESS ORDER UNDER THE VOLUNTARY LIQUIDATION AND DISSOLUTION OF PRIMEWEST MORTGAGE INVESTMENT CORPORATION

On October 24, 2019, **PRIMEWEST MORTGAGE INVESTMENT CORPORATION** (the "**Company**") commenced voluntary liquidation under *The Business Corporations Act*, RSS 1978, c B-10 (the "**Liquidation**") and, by Order of the Court of Queen's Bench for Saskatchewan dated October 31, 2019, continued the Liquidation under Court supervision (the "**Liquidation Proceedings**"), with KPMG Inc. appointed as the Liquidator (the "**Liquidator**").

As part of the Liquidation Proceedings, the Court of Queen's Bench for Saskatchewan has ordered that a Claims Process be initiated in order that all claims against the Company and its directors and officers can be determined.

Only a creditor who establishes its claim against the Company or its directors and officers in accordance with the Claims Process will be entitled to receive a distribution on account of such claim.

The Order establishing the Claims Process granted by the Honourable Mr. Justice N.G. Gabrielson on January 10, 2020, as well as all relevant instructions and documents related to the Claims Process, including the Proof of Claim form, can be obtained from the Liquidator's webpage located at <https://home.kpmg.ca/primewest> or by contacting the Liquidator at:

Bow Valley Square II, 3100, 205 – 5th Avenue SW, Calgary, Alberta, T2P 4B9
Attention: Neil Honess
Email: neilhoness@kpmg.ca
Attention: Cristina Pimienta
Email: cpimienta@kpmg.ca

The deadline for a creditor to submit a Proof of Claim, if required under the Claim Procedure, in respect of any claim it has, or believes it has, against the Company or its directors and officers is 4:00 p.m. (Saskatchewan Time) on Tuesday, March 10, 2020 (the "**Claims Bar Date**").

Claims which are not submitted to the Liquidator by way of Proof of Claim, or otherwise acknowledged by a Claim Amount Notice, on or before the Claims Bar Date will be forever barred and Creditors holding such Claims will be forever barred from making or enforcing any Claim against the Company or its directors or officers and the Claim shall be forever released and extinguished.

Yours truly,

KPMG Inc., in its capacity as liquidator
Of PrimeWest Mortgage Investment Corporation
And not in its personal or corporate capacity



Neil Honess, Senior Vice President

PROOF OF CLAIM (CLAIMS PROCEDURE)

For claims arising before October 25, 2019 relating to PrimeWest Mortgage Investment Corporation.

(See Reverse for Instructions)

Randy Koroluk, the representative plaintiff in the Class Action
Regarding the claim of QBG 1727 of 2018, and the members of the Class he represents. (referred to
in this form as "**the creditor**"). (name of creditor)

All notices or correspondence regarding this claim to be forwarded to the creditor at the following address:

E.F. Anthony Merchant, Q.C., Merchant Law Group LLP, 2401 Saskatchewan Dr, Regina

SK S4P 4H8

Telephone: 306-359-7777

Fax: 306-522-3299

E.F. Anthony Merchant, Q.C. on behalf of Randy
I, Koroluk and said class members

Residing in the _____ city

(name of person signing claim)

(city, town, etc.)

of Regina

In the province of Saskatchewan

(name of city, town, etc.)

Do hereby certify that:

1. I am the creditor

or

I am _____ counsel for _____ of the ~~creditor~~ creditors.
(if an officer or employee of the company, state position or title)

2. I have knowledge of all the circumstances connected with the Claim, as defined in the Claims Procedure Order, dated 2020.1.10, referred to in this form.

3. I have a Claim against PrimeWest Mortgage Investment Corporation (the "**Debtor**"), specifically:

(a) a Claim against the Debtor; [Claim against the Debtor through defendant Ernst & Young's indemnity]

(b) an Equity Claim, as defined in the Liquidation Plan; or

(c) a claim against the directors and officers of the Debtor.

4. As at October 25, 2019, the Debtor was and still is indebted to the creditor in the sum of \$ 15,069,110.13 CDN as shown by the statement of account attached hereto and marked

Instructions for Completing Proof of Claim Forms

In completing the attached form, your attention is directed to the notes on the form and to the following requirements:

Proof of Claim:

1. The form must be completed by an individual and not by a corporation. If you are acting for a corporation or other person, you must state the capacity in which you are acting, such as, "Credit Manager", "Treasurer", "Authorized Agent", etc., and the full legal name of the party you represent.
2. The person signing the form must have knowledge of the circumstances connected with the claim.
3. A Statement of Account containing details of secured and unsecured claims, and if applicable, of the amount due in respect of property claims, must be attached and marked Schedule "A". Claims should **not** include the value of goods and/or services arising after October 25, 2019. It is necessary that all creditors indicate the date and location of the delivery of all goods and/or services. Any amounts claimed as interest should be clearly noted as being for interest.
4. The nature of the claim must be indicated by ticking the type of claim which applies. e.g. –

Ticking (A) indicates the claim is unsecured;

Ticking (B) indicates the claim is secured, such as a mortgage, lease, or other security interest, and the value at which the creditor assesses the security must be inserted, together with the basis of valuation. Details of each item of security held should be attached as Schedule "B" and submitted with a copy of the chattel mortgage, conditional sales contract, security agreement, etc.

5. The person signing the form must insert the place and date in the space provided, and the signature must be witnessed.
6. Additional information regarding PrimeWest Mortgage Investment Corporation and the Liquidation process, as well as copies of claims documents may be obtained at <http://home.kpmg/ca/primewest>. If there are any questions in completing the notice of claim, please write or telephone the office of the Liquidator at:

KPMG Inc., Liquidator of PrimeWest Mortgage Investment Corporation.

By Mail/Courier/Email/Facsimile:

KPMG Inc.
Suite 3100, 205 – 5th Ave SW
Calgary, AB T2P 4B9

Attention: Cristina Pimienta
Email: cpimienta@kpmg.ca
Phone: (403) 691-8406
Fax: (403) 691-8009

Note: Any claim not delivered to the Liquidator at the above noted address by March 10, 2020, will, unless otherwise ordered by the Court of Queen's Bench for Saskatoon, be barred and may not thereafter be advanced against the Debtor.

NOTICE TO CREDITOR

January 16, 2019

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Yours truly,

KPMG Inc., in its capacity as liquidator
Of PrimeWest Mortgage Investment Corporation
And not in its personal or corporate capacity



Neil Honess, Senior Vice President

PROOF OF CLAIM (CLAIMS PROCEDURE)

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E.F. Anthony Merchant, Q.C., Merchant Law Group LLP, 2401 Saskatchewan Dr, Regina

SK S4P 4H8

Telephone: 306-359-7777 Fax: 306-522-3299
E.F. Anthony Merchant, Q.C. on behalf of Randy
I, Koroluk and said class members Residing in the _____ city
(name of person signing claim) (city, town, etc.)
of Regina In the province of Saskatchewan
(name of city, town, etc.)

Do hereby certify that:

1. I am the creditor

or

I am _____ counsel for _____ of the ~~creditor~~ creditors
(if an officer or employee of the company, state position or title)

2. I have knowledge of all the circumstances connected with the Claim, as defined in the
Claims Procedure Order, dated 2020.1.10, referred to in this form.

3. I have a Claim against PrimeWest Mortgage Investment Corporation (the "**Debtor**"),
specifically:

- (a) a Claim against the Debtor; [Claim against the Debtor through defendant Ernst & Young's indemnity]
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KPMG Inc., Liquidator of PrimeWest Mortgage Investment Corporation.

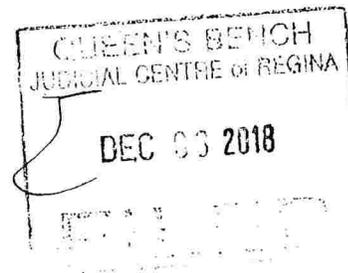
By Mail/Courier/Email/Facsimile:

KPMG Inc.
Suite 3100, 205 – 5th Ave SW
Calgary, AB T2P 4B9

Attention: Cristina Pimienta
Email: cpimienta@kpmg.ca
Phone: (403) 691-8406
Fax: (403) 691-8009

Note: Any claim not delivered to the Liquidator at the above noted address by March 10, 2020, will, unless otherwise ordered by the Court of Queen's Bench for Saskatoon, be barred and may not thereafter be advanced against the Debtor.

Form 3-9
(Rule 3-9)



COURT FILE NUMBER QBG NO 1727 OF 2018

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE REGINA

PLAINTIFF RANDY KOROLUK

DEFENDANT(S) DAN ANDERSON
TOM ARCHIBALD
FRANCIS BAST
DOUG FRONDALL
MIKE HOUGH
WILL OLIVE
TOM ROBINSON
IRENE SEIFERLING
ERNST & YOUNG INC.

Brought under *The Class Actions Act*

NOTICE TO DEFENDANT

1 The plaintiff may enter judgment in accordance with this Statement of Claim or the judgment that may be granted pursuant to *The Queen's Bench Rules* unless, in accordance with paragraph 2, you:

- (a) serve a Statement of Defence on the plaintiff; and
- (b) file a copy of it in the office of the local registrar of the Court for the judicial centre named above.

2 The Statement of Defence must be served and filed within the following period of days after you are served with the Statement of Claim (excluding the day of service):

- (a) 20 days if you were served in Saskatchewan;
- (b) 30 days if you were served elsewhere in Canada or in the United States of America;
- (c) 40 days if you were served outside Canada and the United States of America.

3 In many cases a defendant may have the trial of the action held at a judicial centre other than the one at which the Statement of Claim is issued. Every defendant should consult a lawyer as to his or her rights.

4 This Statement of Claim is to be served within 6 months from the date on which it is issued.

5 This Statement of Claim is issued at the above-named judicial centre on the 12th of June, 2018.

6 This Amended Statement of Claim is issued at the above-named judicial centre on the 3rd day of December, 2018.

AMENDED STATEMENT OF CLAIM

THE PARTIES

1.—The Plaintiff, RANDY KOROLUK (“Koroluk”) resides in Regina, Saskatchewan, and is an investor and registered shareholder in Prime West.

1.

~~2.—All of the Defendants are current or previous members of the Board of Directors (the “Board”) for PRIME WEST MORTGAGE INVESTMENT CORPORATION (“Prime West” or “the Corporation”). Prime West is a publicly traded mortgage Saskatchewan investment company.~~

~~3.~~2. The Defendant, DAN ANDERSON Q.C. (“Anderson”) resides in Saskatoon, Saskatchewan, and served on the Prime West Board from June, 2009 until May, 2016. Anderson is senior legal counsel in Saskatoon.

~~4.~~3. The Defendant, TOM ARCHIBALD (“Archibald”) resides in Saskatoon, Saskatchewan, and served on the Prime West Board from May, 2007 until the present. Archibald is the president of Eden Health Solutions, a privately held consulting company specializing in health care and business consulting.

~~5.~~4. The Defendant FRANCIS BAST (“Bast”) resides in Regina, Saskatchewan, currently serves on the Prime West Board, and is a businessman with many ventures, including real estate sales and development, finance, and investment.

~~6.~~5. The Defendant DOUG FRONDALL (“Fron dall”) resides in Saskatoon, Saskatchewan and served on the Prime West Board from May, 2008 until June, 2017. Frondall is an Accountant and a Partner at Virtus Group. He is the chairman of Sask Works.

~~7.~~6. The Defendant, MIKE HOUGH (“Hough”) resides in Saskatoon, Saskatchewan, and served on the Prime West Board from May, 2007 until May, 2016. Hough was the General Manager of the Saskatoon Christian Centre.

~~8.~~7. The Defendant WILL OLIVE Q.C. (“Olive”) currently serves on the Prime West Board. Olive is senior legal counsel and a partner at the law firm Olive Waller Zinkhan & Waller LLP, which has provided legal services to Prime West since 2005.

~~9.~~8. The Defendant TOM ROBINSON (“Robinson”) resides in Regina, Saskatchewan and presently serves on the Prime West Board. Robinson is the former managing partner of KPMG LLP, which

provides audit, business advisory, and consulting services to both private and public organizations.

9. The Defendant, IRENE SEIFERLING ("Seiferling") resides in Saskatoon Saskatchewan and served on the Prime West Board from May, 2008 until May, 2016. Seiferling owns a corporate governance consultation firm called "Board Dynamics" which specifically specializes in board governance and business planning.

10. All of the above Defendants are current or previous members of the Board of Directors (the "Board of Directors Defendants") for PRIME WEST MORTGAGE INVESTMENT CORPORATION ("Prime West" or "the Corporation"). Prime West is a publicly traded mortgage Saskatchewan investment company.

~~10.~~ 11. The Defendant, ERNST AND YOUNG INC. ("E & Y") is a corporation registered pursuant to the *Canada Business Corporations Act*. They provide professional and accounting services. E & Y carried on business in Saskatchewan and maintains Saskatchewan officers. Their registered office is 100 Adelaide Street West, Suite 3900, Toronto ON M5H 0B3.

THE PROPOSED CLASS

~~11.~~ 12. The Defendants have, by their acts or omissions, caused harm and damages to Members of the Class. The Plaintiff acts as Representative Plaintiffs on behalf of an affected Class of several persons in the Province of Saskatchewan. The Plaintiff institutes this Claim as Representative on behalf of the Class of persons who have suffered harm or damages as a result of the Defendants' acts, omissions, wrongdoings, and breaches of legal duties and obligations, including, but not limited to, breach of trust, breach of fiduciary duty, breach of duty to act with honesty and good faith, negligence and failure to fulfill their statutory or common law duties, or other obligations due to the Plaintiff and Class Members collectively.

~~12.~~ 13. The Plaintiff on behalf of all Class Members claims the following relief, on a joint and several basis, against each of the Defendants, for the following proposed Class:

- a. All persons who invested in Prime West;
- b. All persons who are registered shareholders in Prime West;
- c. All persons who are beneficial shareholders in Prime West;
- d. All family members of the above.

(Collectively "Class Members" or "Class")

BACKGROUND FACTS

~~14.~~ Prime West has been operating in the Province of Saskatchewan since 2005. Prime West is a public corporation based in Saskatoon, Saskatchewan and operates as a Saskatchewan based mortgage Investment Corporation. The Corporation's Class A common shares are listed for trading on the Canadian Securities Exchange under the symbol PRI.

~~13.~~

~~14.~~ ~~15.~~ Each of the Board of Directors Defendants was a member of the Board of Directors for Prime West and participated in the Defendants' Wrongful Acts.

~~15.~~ ~~16.~~ Each of the Board of Directors Defendants' responsibilities as a Board Members and officers of Prime West included, *inter alia*:

- a. Assuming responsibility for the overall stewardship and development of the corporation;
- b. Monitoring the Corporation's business interests;
- c. Identifying the principal risks and opportunities of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks;
- d. Overseeing ethical management and succession planning, including appointing, training, and monitoring senior management and directors,
- e. Overseeing the Corporation's internal financial controls and management information systems;
- f. Implementing and enforcing corporate governance policies; and
- g. Following the code of ethics and written charters of the Corporation.

~~9.~~

~~17.~~ E & Y was retained by Prime West to do yearly audits of Prime West's financial information for 2014, 2015, and 2016. These audits were done by E & Y and Prime West released it audited financial statements for each year about the end of March of the next year

~~18.~~ E & Y was appointed as the auditor for Prime West by the shareholders. In undertaking the work for Prime West and in providing audits to Prime West, E & Y knew that members of the investing public, including current and prospective shareholders would rely upon the professionalism, fidelity, and accuracy of E & Y's audited financial statements.

THE DEFENDANTS' WRONGFUL ACTS

~~16.~~ ~~19.~~ On or about March, 2011, the Board of Directors Defendants and other members of the Board began to employ Don Zealand ("Zealand") as CEO of Prime West.

~~17-20.~~ In 2015-2016, Zealand began to invest in high risk rural and commercial loans, in many instances second position mortgages, subject to the actions of other mortgage interests, contrary to the Corporation's mandate to invest in primarily short-term residential mortgages.

21. Zealand invested in 19 condo units in Regina on a high rise unit that was known or should have been known to be an uncertain and high-risk investment, which the Defendants knew, or ought to have known was contrary to the best interests of Class Members. As a result, a significant amount of financial risk was created for shareholders. The Defendants' knew or ought to have known that Zealand was conducting business of this kind in a way that was outside the parameters set by the Board and failed to adequately supervise his conduct.

~~18-22.~~ The 2015 annual financial statements audited by E & Y did not acknowledge, flag, or communicate that high-risk investments had been entered into by Prime West. The nature of the audit process has prevented the Class from ascertaining whether this was a failure of E & Y to preform due dilligence or if it was a willful lack of transparency from the Board of Directors Defendants.

~~19-23.~~ In Spring of 2016, the Board raised nearly two million dollars for the purpose of investment. To this date, the shareholders have not been informed of what has happened to this money, nor has it been returned to them. Instead, the funds raised have been misappropriated for other purposes. This money was raised at the rate of \$10.00 per share.

~~20-24.~~ On or about June 6, 2016, the Defendants dismissed Zealand. At the time, the Defendants, Archibald and Fondall became acting CEO until August, 2016. Neither of these Defendants had the requisite competency to take on this role, which caused further damage and financial risk for the Class.

~~24-25.~~ On or about August, 2016, the Defendants' employed Brad Penno. Penno began to sell properties off for less than they could have retrieved contrary to the interests of the Class.

26. In September of 2016, the Board raised \$1,000,000 in equity for Prime West's operating costs from a third party at an 8% per annum interest rate. This loan began to be paid back in 2017. The Defendants, Bast and Robinson, were shareholders in this third party, and personally profited from the loan. In January of 2017, the Board, including the Board of Directors Defendants took an additional loan of \$500,000 from the same third party at an 8% per annum. As a result of the losses from these loans the dividends to be paid from Class Members were suspended in 2017.

27. Prime West released the audited annual financial statement for 2016 received from E & Y on or about March 31, 2017 as usual. The 2016 Audited Financial Statements prepared by E & Y drew attention to the accumulated deficit of \$3,399,834 and cast doubt on Prime West's ability to continue as a going concern. On or about April 3, 2017 Prime West released a statement that summarized the wrongful acts as follows:

During the year ended December 31, 2016, the Corporation's new management performed a detailed review of its mortgage portfolio. The Corporation determined that certain loss events occurred in prior periods that should have more properly been considered in determining the specific allowance for mortgage losses at December 31, 2015 and 2014. In addition it was determined that the security value assigned to certain mortgages and assets taken in settlement of debt were not appropriate and did not consider the facts and circumstances that existed at December 31, 2015 and 2014. The combination of these events also impacted the collective allowance that should have been recorded as of December 31, 2015 and 2014 and were considered as errors in accordance with IFRS [International Financial Reporting Standards].

28. The error in the 2014 and 2015 audited financial statement was discovered when new management took over Prime West. It was not discovered by E & Y in their role as auditor. E & Y caused, or allowed by inaction, the error to be propagated over several years of audited financial statements. E & Y did not properly probe the information provided to them to ascertain Prime West's true financial position. E & Y failed to take care that errors and omissions did not exist in the documents they prepared. These failures obscured Prime West's true financial positions, maintained shares at an artificial value, and caused investors to purchase shares at a value greater than their actual worth.

29. The Listing Application also released April 3, 2017 lists the Defendants Fondall, Robinson, and Bast as the Audit Committee for Prime West.

30. The Listing Application reduced the Net Asset Value of Prime West to \$6.50 per share. This was a significant reduction from the price of \$10.00 per share that had been in place since spring 2016. At this time, all share dividends and redemptions were suspended.

22—

23-31. The Board of Directors Defendants did not begin to establish loan loss provisions or adequate corporate governance until 2017-2018. Despite the fact that the Defendant, Siefertling, specializes in consulting boards on developing effective corporate governance practices.

24-32. Over the previous few years, when shareholders and Class Members voiced their concern to the Board, including each of the Board of Directors Defendants, their inquiries have been repeatedly and actively ignored.

~~25-33.~~ The facts pleaded in this section (the "Defendants' Wrongful Acts") apply to each and every cause of action stated in this Statement of Claim, even where not specifically reiterated.

THE PLAINTIFF'S HARMS

~~34.~~ Each of the Defendants have, by their acts or omissions, caused harm and damages to Members of the Class. The Plaintiff institutes this Claim as a Representative on behalf of the Class of persons who have suffered harm or damages as a result of the Defendants' acts, omissions, wrongdoings, and breaches of legal duties and obligations, including, but not limited to, negligence and failure to fulfill their statutory or common law duties, or other obligations due to the Plaintiff and Class Members.

~~26-35.~~ The Class has suffered and continues to suffer loss and damages, which include but are not limited to, loss of share value and loss of dividend income.

VICARIOUS LIABILITY

~~36.~~ As members of the Board, each of the Board of Directors Defendants were at all material times required to manage or supervise the management of the business and affairs of Prime West, including the actions of its agents and employees, pursuant to section 97 of the *Business Corporations Act*, RSS 1978, c. B-10, s. 97 and are all therefore personally liable for the Wrongful Acts, especially those committed by CEOs and CFOs under their supervision.

~~27.~~

~~37.~~ E & Y is a firm of professional accounts with members registered pursuant to *The Accounting Profession Act*, SS 2014, c A-3.1. E & Y is vicariously liable for the Wrongful Acts of its employees, agents, and partners.

BREACH OF TRUST

~~28-38.~~ At all material times, each and every of the Board of Directors Defendants owed duties of trust to Class Members by virtue of their position of trust on the Board.

~~29-39.~~ The Trust required an accounting of funds from business conducted on behalf of Class Members and using capital raised from Class Members through the Board of Directors Defendants' day to day operations, with certain funds to be held in trust by the Board of Directors Defendants for the Class.

~~30-40.~~ The Board of Directors Defendants' Wrongful Acts were dishonest and either fraudulently or

negligently designed to decrease the amounts held in trust for Class Members and ultimately misappropriated.

31.41. The Board of Directors Defendants knowingly received funds that were subject to the Trust and engaged the Board of Directors Defendants' Wrongful Acts.

32.42. The Board of Directors Defendants' responsibility was to receive funds that were subject to the Trust and this engaged the Board of Directors Defendants' Wrongful acts.

33.43. In the alternative, any Board of Directors Defendant who did not directly handle the funds to be held in trust for the Class is liable as a trustee *de son tort* as each took upon themselves to act as trustee and administer funds that were intended to be held in trust for Class Members.

BREACH OF DUTY OF HONESTY AND GOOD FAITH

34.44. Pursuant to the common law and section 117 of *The Business Corporations Act*, RSS 1978, C. B-10, s.117, each and every Board of Directors Defendant was required at all material times to act honestly and in good faith and in keeping with the best interests of the corporation, including keeping the Members of the Class in mind to exercise due care, diligence, and skill in the circumstances.

35.45. Each of the Board of Directors Defendants has failed to meet the standard of honesty and good faith required of them as Board Member by engaging in the Defendants' Wrongful Acts.

36.46. The Board of Directors Defendants' Wrongful Acts were engaged to lie and mislead Class Members.

37.47. The Board of Directors Defendants engaged in Wrongful Acts knowing that the said actions were not in good faith or would negatively affect the legitimate business and financial interests of the Class

BREACH OF FIDUCIARY DUTY

38.48. All of the Board of Directors Defendants are sophisticated individuals with experience in business and finance, and at all material times were aware of their fiduciary and financial obligations to the Class.

39-49. At all material times, each of the Board of Directors Defendants, owed duties of trust to the Class by virtue of their position on the Board. As Board Members, the Board of Directors Defendants, owed a duty of loyalty to the Class, and a fiduciary obligation not to act adversely to Class Members' interests.

40-50. The Board of Directors Defendants were entrusted to raise and manage funds acquired for the purposes of investment and required to hold the funds in trust for Class Members among other duties.

41-51. The independence of the Board of Directors Defendants, and the level of trust placed in them by Class Members to act honourably and honestly, and with Class Members' interests in mind, which were always to precede and be in priority to their own interests, created in each of the Board of Directors Defendants a fiduciary duty towards the Class which required each Board of Directors Defendant to:

- a. Act with the utmost honesty and good faith;
- b. Follow the established practices and procedures of the corporation;
- c. Raise and manage investment capital with the interests of the Class before their own;
- d. Fully and accurately account for all funds received;
- e. Prioritize Class Members' interests over their own; and
- f. Not use funds raised for investment for any personal or other improper purposes.

42-52. The Plaintiff, on behalf of the Class, pleads that each of the Board of Directors Defendants, breached their duty of trust and the fiduciary duties owed to Class Members by, inter alia:

- a. Misdirecting, dissipating, and misappropriating monies accepted on behalf of the Corporation and the Class;
- b. Failing to account to Class Members with respect to monies received in the course of business;
- c. Using monies received on behalf of the Class or for the purposes of investment for their own personal benefit, the personal benefit of the other Defendants, or other persons unknown;
- d. Preferring his or hers own personal interests and gains and completely disregarding the interests of the Plaintiff, which they are duty bound to protect and uphold;
- e. Using client information and other confidential information for his or hers own personal benefit to the detriment of the Plaintiffs;
- f. Soliciting clients and staff members to cancel services or act in a manner contrary to the interests of the Plaintiff;

- g. Abusing their positions on the Board to gain personal benefit;
- h. Such further particulars as may be advised prior to trial.

43-53. As a result of the actions of the Board of Directors Defendants as pleaded herein, Class Members have suffered damages and harm in an amount to be proven at trial and following a full accounting of the Board of Directors Defendants' activities.

WASTE OF CORPORATE ASSETS

44-54. The Plaintiff, on behalf of the Class, pleads and relies upon the allegations contained herein and pleads that the Board of Directors Defendants owed Class Members a duty of care not to waste corporate assets by overpaying for property or employment services. The Board of Directors Defendants breached this duty of care by, *inter alia*:

- a. Employing senior management who they knew or ought to have known were grossly underqualified for their roles;
- b. Grossly overpaying officers of the Corporation by way of unethical bonus structures; and
- c. Borrowing money in an irresponsible and unethical fashion

INTERFERENCE WITH ECONOMIC RELATIONS

45-55. The Board of Directors Defendants have committed injurious acts against the Class, as pleaded herein, which deprived Class Members of the revenue and proceeds from the dividends of their investments.

46-56. The Board of Directors Defendants committed these acts with full knowledge of the harm and effect this would have on the Class.

47-57. The actions of the Board of Directors Defendants have thereby unlawfully interfered with Class Members' economic interests and the Defendants are liable therefor.

48-58. By reason of the foregoing, the Board of Directors Defendants are liable for all losses suffered by Class Members as a result of said unlawful interference.

NEGLIGENCE

49-59. In the alternative to the intentional wrongs pleaded, the Plaintiff claims that the Board of Directors Defendants are liable for Negligence.

50-60. The Board of Directors Defendants owed a duty of care to the Plaintiffs to, *inter alia*:

- a. Ensure that their subsidiaries, agents, or affiliates did not engage in the Board of Directors Defendants' Wrongful Acts;
- b. Act in a manner befitting a Board Member with the Corporation;
- c. Act in a manner in accordance with their duties as trustees, fiduciaries, and privileged positions.

51-61. The Board of Directors Defendants breached the standard of care of reasonable members of a Board and knew or ought to have known that engaging in the Board of Directors Defendants' Wrongful Acts would cause harm to the Class.

62. As a result of the Board of Directors Defendants' negligence, Class Members have suffered damage.

63. E & Y was negligent in the preparation of the audited financial statements of 2014, 2015 and 2016. They breached their duty as an expert providing core documents pursuant to *The Securities Act, 1988*, SS 1988-89, c S-42.2 and their duties as professional accountants to audit with diligence and accuracy.

64. Alternatively, the information and disclosure provided to E & Y which was used to create the audited annual financial statements was negligently made to E & Y by the Board of Directors Defendants, or other Prime West officers and management. So which in the alternative, the Plaintiff and Class seek recovery from all the Defendants other than E & Y.

52-65. The negligent conduct of E & Y has caused significant harm to Class members. Class members made investment decisions based on the audited annual financial statements and lost money because of their inaccuracy.

DAMAGES

53-66. The Defendants' conduct has caused significant harm to Class Members. The Class has suffered and continue to suffer loss and damage, which includes, but is not limited to the amount of the misappropriated funds.

54-67. As a result of the Defendants' wrongful acts and omissions Class Members are entitled to general damages for their losses in amounts yet to be determined, the particulars of which will be provided prior to trial.

PUNITIVE DAMAGES

55-68. The Defendants have acted in a high-handed, malicious, and reprehensible fashion, and in wanton and reckless disregard for Class Members' rights, which ought not to be countenanced by this Honourable Court. Accordingly, the Plaintiff is entitled to punitive, aggravated, and exemplary damages, the particulars of which will be provided prior to Trial.

PRAYER FOR RELIEF

56-69. The Plaintiffs therefore claim against the Defendants:

- a. General Damages in an amount to be proven at trial;
- b. Special damages in an amount to be proven at trial;
- c. Aggravated, exemplary and punitive damages;
- d. An accounting of all funds misappropriated by the Board of Directors Defendants;
- e. An equitable tracing of all funds misappropriated by the Board of Directors Defendants;
- f. Interest pursuant to the *Pre-judgement interest act*;
- g. Costs;
- h. Such further and other relief as this honourable court may allow.

DATED at Regina, Saskatchewan, this 12th day of June, 2018.

—“E.F.A Merchant”——
E. F. Anthony Merchant, Q.C.
Solicitor for the Plaintiff

AMENDED STATEMENT OF CLAIM DATED at Regina, Saskatchewan, this 3rd day of December, 2018.



E.F. Anthony Merchant, Q.C.
Solicitor for the Plaintiff

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Y:\Wpdata\Class Actions\Prime West\Statement of Claim

QUEEN'S BENCH FOR SASKATCHEWAN

Date: 2020 07 07
Docket: QBG 1455 of 2019
Judicial Centre: Saskatoon

IN THE MATTER OF SECTION 204 OF *THE BUSINESS CORPORATIONS ACT*, RSS 1978, c B-10

AND IN THE MATTER OF THE VOLUNTARY LIQUIDATION AND DISSOLUTION OF
PRIMEWEST MORTGAGE INVESTMENT CORPORATION

Counsel:

Michael J. Russell, Nicholas P. Conlon and Michelle M.A. Tobin	for the applicant, KPMG Inc. in its capacity as and liquidator of PrimeWest Mortgage Investment Corporation
E.F. Anthony (Tony) Merchant, Q.C.	for the representative plaintiff, Randy Koroluk and the putative class in QBG 1727 of 2018
Donald D. Hanna	for the defendant, Ernst & Young LLP
Amanda M. Quayle, Q.C.	for the former directors of PrimeWest Mortgage Investment Corporation, Dan Anderson, Tom Archibald, Francis Bast, Doug Frondall, Mike Hough, Wilson Olive, Tom Robinson and Irene Seiferling

FIAT
July 7, 2020

GABRIELSON J.

Introduction

[1] There are currently two applications before the Court:

- (a) an application by way of appearance day notice, brought by the representative plaintiff, Randy Koroluk, for an order that the claim issued under QBG 1727 of 2018 [class action] is excluded from the

liquidation proceedings in QBG 1455 of 2019;

- (b) an application by the liquidator, KPMG Inc.[KPMG], for an order:
 - (i) providing the liquidator with advice and directions of the Court in the discharge of its powers pursuant to the liquidation order and the Claims Process Order [Claims Process Order] and providing the liquidator with assistance in carrying out the terms of the liquidation order and the Claims Process Order; and
 - (ii) declaring that the allegations against Dan Anderson, Tom Archibald, Francis Bast, *et al*, in QBG 1727 of 2018 constitute a claim pursuant to and subject to the Claims Process Order, and that all matters and issues in regard to the action shall be determined in the liquidation proceedings in such manner and procedure as prescribed by further order of this Honourable Court.

Background

[2] PrimeWest Mortgage Investment Corporation [PrimeWest] is a mortgage investment corporation incorporated pursuant to *The Business Corporations Act*, RSS 1978, c B-10 [*Act*], on March 22, 2005. PrimeWest is in the business of investing in and managing a diversified portfolio of commercial and residential mortgages.

[3] On October 9, 2019, PrimeWest applied pursuant to an originating application for an order approving a plan of liquidation and dissolution pursuant to ss. 204(8), 210, 215 and 216 of the *Act* [PrimeWest application].

[4] Pursuant to a directors' resolution dated October 23, 2019, the liquidation plan was to take effect on October 24, 2019.

[5] A hearing was held on October 31, 2019 in respect to the PrimeWest application. In attendance were Ian Sutherland and Craig Firth as counsel for PrimeWest, Scott Spencer as counsel for Donald Zealand, a former CEO of PrimeWest, and Tony Merchant, Q.C. and Evatt Merchant as counsel for Randy Koroluk, the representative plaintiff in the class action. After discussion with counsel, the Court approved of the liquidation plan, including the appointment of KPMG as liquidator and the appointment of Tom Robinson, Wilson Olive, Francis Bast and Tom Archibald as inspectors of the corporation's liquidation.

[6] The draft order which had been submitted with the original application had included a reference to proceedings against directors or officers in Article 14. It read:

No Proceedings Against Directors or Officers

14. No Proceeding shall be commenced or continued against any of the former or current directors or officers of the Corporation with respect to any Claim except with leave of the Court.

[7] Mr. Merchant, on behalf of the representative plaintiff in the class action, objected to the wording of Article 14. The article was therefore changed by agreement of counsel to delete reference to the directors in Article 14 and was thereafter issued by the Court on October 31, 2019 as follows:

No Proceedings Against the Directors or Officers

14. No Proceeding shall be commenced or continued against any of the former or current officers of the Corporation with respect to any Claim, except with leave of this Court.

[8] Mr. Merchant then sent an email dated November 4, 2019 to Mr. Sutherland, suggesting that they should jointly return to court for rectification of the order of October 31, 2019 under the “slip rule” as the order “leaves the liquidation plan lame, contradictory, and embarrassing”. He suggested that the action known as QBG 1727 of 2018, which had been referred to in the definition of “claim”, should be excluded from the liquidation order.

[9] The order as issued read:

INTERPRETATION

...

2. For greater certainty, the definition of “Claim” in the Liquidation Plan and this Order includes but is not limited to:
 - (a) the following court of Queen’s Bench actions in which the Corporation is named as a defendant or defendant-by-counterclaim, as the case may be:
 - (i) QB No. 1559 of 2017;
 - (ii) QB No. 1889 of 2018;
 - (iii) QB No. 1395 of 2018
 - (b) the Court of Queen’s Bench action commenced against certain current and former directors of the Corporation in QBG No. 1727 of 2018.
- (the “**Actions**”).

[10] On November 6, 2019, Mr. Sutherland responded to Mr. Merchant’s correspondence consenting to the proposed amendment but rejecting Mr. Merchant’s characterization of the form of the order as follows:

I am not going to comment further on your characterization of the current form of the Order as referenced in your most recent letter other than to state that we reject it in its entirety. Having said that, it is very much the goal of PrimeWest Mortgage Investment Corporation to focus its remaining resources on an orderly liquidation in as

expeditious and efficient manner as possible and so my instructions are to accommodate your request as it does not appear to be actively harmful to the process.

[11] Counsel, therefore, filed a consent order removing paragraph 2(b) from the order of October 31, 2019. The amended and restated order of the Court, which was issued November 25, 2019, therefore, read:

INTERPRETATION

...

2. For greater certainty, the definition of “Claim” in the Liquidation Plan and this Order includes but is not limited to:
 - (a) the following court of Queen’s Bench actions in which the Corporation is named as a defendant or defendant-by-counterclaim, as the case may be:
 - (i) QB No. 1559 of 2017;
 - (ii) QB No. 1889 of 2018;
 - (iii) QB No. 1395 of 2018

(the “**Actions**”).

[12] Mr. Merchant did not request any amendment to the definition of “claim” as contained in the Plan of Liquidation and Dissolution, which was attached as Schedule A to the Order and the Amended and Restated Order. The Plan of Liquidation and Dissolution reads as follows:

1.1 Definitions

In this Liquidation Plan:

...

“**Claim**” means:

- (a) any right of any Person against the Corporation in connection with any indebtedness, liability or obligation of any kind of the Corporation and any interest accrued thereon or costs payable in respect thereof, whether

liquidated, unliquidated, reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any claim made or asserted against the Corporation through any affiliate or associate or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future with respect to any matter, action, cause or chose in action; and

- (b) any existing or future right of any Person against any one or more of the Directors which arose or arises as a result of such Director's position, supervision, management or involvement as a Director or otherwise in any other capacity in connection with the Corporation, whether such right, or the circumstances giving rise to it, arose before or after the Effective Date and whether enforceable in any civil, administrative or criminal proceeding,

but does not include an Equity Claim; ...

[Emphasis added]

[13] On December 19, 2019, Mr. Russell, counsel for KPMG, filed the first report of the liquidator dated December 18, 2019 and a notice of application also dated December 18, 2019, wherein he sought an order *inter alia* approving a Claim's Process Order. The application was served upon all parties referred to in the service order. On January 10, 2020, I approved the Claims Process Order as filed. The Claims Process Order did not specifically refer to QBG 1727 of 2018 and more specifically, it did not remove QBG 1727 of 2018 from the Claims Process Order or the need to file a proof of claim in respect to it.

[14] On January 15, 2020, KPMG wrote a letter to Mr. Merchant stating that "Randy Koroluk had been identified by the liquidator as a creditor" of PrimeWest and must file a proof of claim on or before the claims bar date (March 10, 2020 as set out

in the Claims Process Order). If he did not do so, his claim would be forever barred, estopped, enjoined and extinguished.

[15] Mr. Merchant then brought an appearance day notice seeking an order that the claim of Randy Koroluk issued in QBG 1727 of 2018 be excluded from the liquidation proceedings.

[16] The W Group, counsel for KPMG, took issue with the appearance day notice and suggested that a formal hearing was required in respect to Mr. Merchant's appearance day notice.

[17] The court was then closed because of the COVID-19 pandemic.

[18] On May 22, 2020, counsel for KPMG brought an application for the advice and directions of the Court as to how the matters and issues in regard to the class action were to be determined in the liquidation proceedings pursuant to the Claims Process Order.

QBG 1727 of 2018

[19] QBG 1727 of 2018 is a claim brought pursuant to *The Class Actions Act*, SS 2001, c C-12.01, by Randy Koroluk on behalf of himself and other members of a class, being shareholders of PrimeWest, against the defendants, who were or are members of the board of directors for PrimeWest, as well as Ernst & Young Inc. [Ernst & Young] as auditor of PrimeWest. Some, but not all, of the defendant directors have been served with a copy of the statement of claim in the said class action. Ernst & Young has not been served with a copy of the statement of claim. While PrimeWest is not named in the said statement of claim, all of the said defendants in QBG 1727 of 2018 have filed proofs of claim with the liquidator against PrimeWest in respect to an

indemnity agreement they had with PrimeWest. As liquidator, KPMG gave notice to the said defendants that it had reviewed the said proofs of claim and that they would be notified in due course of the status of the claims.

Positions of the Parties

Position of Randy Koroluk

[20] Mr. Merchant, on behalf of the representative plaintiff in QBG 1727 of 2018, Randy Koroluk, submits that it is important to recognize that this action is against the directors and auditor of PrimeWest and not against the corporation itself. Mr. Merchant submits that at the original hearing for the liquidation order, which was held on October 31, 2019, representations were made on behalf of the representative plaintiff that the word “directors” be removed from paragraph 14 of the draft order to ensure that the plaintiff’s claim against the directors could proceed without reference to the liquidation proceedings. Mr. Merchant further submits that after issuance of the original order for liquidation his attention had been drawn to paragraph 2(b) of the order, which still referred to QBG 1727 of 2018 as being included in the definition of a claim. He, therefore, contacted counsel for PrimeWest suggesting that paragraph 2(b) needs to be deleted because it unwittingly “leaves the liquidation plan lame, contradictory, and embarrassing.” Mr. Merchant submits that counsel for PrimeWest consented to the removal of clause 2(b) from the definition of “claim” and that PrimeWest is therefore estopped from relitigating this issue. Neither PrimeWest or the liquidator appealed the exclusion matter. Furthermore, as the removal of QBG 1727 of 2018 from the order of November 25, 2019 was by way of a consent signed by counsel for PrimeWest and himself, as counsel for the representative plaintiff, the order cannot now be changed. Finally, Mr. Merchant submits that the representative plaintiff and the members of the class would have priority to any claim of indemnity brought by the

directors and/or the auditor against the assets of the corporation.

Position of the Liquidator

[21] Counsel for the liquidator submitted that the liquidator is an officer of the court and is appointed by court order. It is integral to the mandate of the liquidator that all claims impacting the assets of PrimeWest be determined expeditiously and with the least expense in accordance with the liquidation proceedings. Proof of claims have been filed by the directors and auditor of PrimeWest claiming indemnity from PrimeWest regarding the class action. The liquidator has a duty to consider the claim of the representative plaintiff as well as the claims of the directors and auditor in meeting the terms of the Claims Process Order. Finally, the liquidation order was amended by way of consent and can only be changed if it arose as a result of a mutual mistake, whether it was fraud or the equivalent of fraud on the part of the party resisting rectification and that the Claims Process Order did not bar QBG 1727 of 2018 from consideration in the liquidation.

Position of the Directors

[22] The position of the directors is that they are not a named party to the liquidation order or the amended order. Some of the directors have never been served with the statement of claim issued in respect to the class action. Counsel submits that the amended order did not exclude a claim of indemnification by the directors arising out of the class action. Liquidation proceedings cannot, therefore, be concluded until the indemnity issue is decided.

Position of Ernst & Young Inc.

[23] Ernst & Young has never been served with the statement of claim in QBG

1727 of 2018. It only became aware of the claim when it was contacted by the liquidator in January 2020. A claim against Ernst & Young as auditor of PrimeWest may only be made by the company, not the shareholders. The time for service of this claim expired in 2019 and the claim must be therefore deemed to have been abandoned against Ernst & Young. To protect its position, Ernst & Young has filed a contingent proof of claim pursuant to the Claims Process Order. The proof of claim cannot be determined until the underlying action has been heard. It makes sense to have both actions heard together.

Issues

[24] The issues are:

1. What is the purpose of the liquidation and the role of the liquidator?
2. What are the duties of the liquidator?
3. Was the class action included in the Claims Process Order?
4. What is the effect of the removal of the word “directors” from paragraph 14 of the liquidation plan?
5. What is the effect of the removal of paragraph 2(b) from the definition of “claim” in the liquidation plan referred to the Amended and Restated Order of November 25, 2019?

1. What is the purpose of the liquidation and the role of the liquidator?

[25] The primary purpose of the liquidation is to convert the assets of the corporation to cash, to pay off the debts of the corporation, and to distribute the residual

property to the shareholders and other persons entitled to it. (Kevin P. McGuinness, *Canadian Business Corporations Law*, 3d ed, vol 3 (Toronto: LexisNexis Canada, 2017) at §25.25.

[26] As was stated by Professor McGuinness, the purpose of the liquidation also guides the liquidator's role. When the Court appoints a liquidator, the liquidator is bound to wind up the corporation and to act in the place of the directors.

§25.27 ... The liquidator acts as a receiver and manager of the corporation (as well as of its assets) for the purpose of closing up the corporation's business, realizing its assets and making the proceeds obtained among the creditors and shareholders of the corporation.

...

§25.46 ... The effect of a court-ordered winding-up, is to place the corporation under the custodianship of a court-appointed liquidator. It must be understood that the role of this officer is not simply to take over the management of the corporation while some dispute or other matter relating to the corporation is decided by the court (as would be the case with the appointment of a court appointed receiver-manager). Instead, it is implicit in the winding-up process that the business and affairs of the corporation are to be liquidated. A court-appointed liquidator has been described as being the statutory representative of the corporation for the purposes of the winding up. In *Coopérants, Mutual Life Insurance Society (Liquidator of) v Dubois* [[1996] 1 SCR 900], Gonthier J. stated:

34 From the perspective of the legal winding-up scheme, therefore, the liquidator is an officer of the court whose function it is to close up the company's business and distribute its assets to its creditors. The liquidator is not a third party in relation to the insolvent company, but is the person designated by the court to act in place of the directors of the company being wound up. ...

[27] In this case, the directors of PrimeWest at an annual and special meeting of shareholders held on September 24, 2019, presented a plan of liquidation and dissolution pursuant to s. 204(1) of the *Act*. Once the liquidation plan was approved by

the shareholders, PrimeWest applied for court approval of the liquidation plan pursuant to ss. 204(8) and 210 of the *Act*. Pursuant to these sections, the Court has the authority to make any orders it sees fit in respect to the liquidation, including the power to appoint a liquidator.

[28] Sections 204(8) and 210 of the *Act* provide:

204(8) ... any interested person may, at any time during the liquidation of a corporation, apply to a court for an order that the liquidation be continued under the supervision of the court as provided in this Division, and upon such application the court may so order and make any further order it thinks fit.

...

210 In connection with ... the liquidation ..., the court may, if it is satisfied that the corporation is able to pay or adequately provide for the discharge of all its obligations, make any order it thinks fit including, without limiting the generality of the foregoing:

(a) an order to liquidate;

(b) an order appointing a liquidator, with or without security, fixing his remuneration ...

...

2. *What are the duties of the liquidator?*

[29] The duties and powers of the liquidator are set out in ss. 214 and 215 of the *Act*. The general nature of the duties of a liquidator were described in the case of *Re Home and Colonial Insurance Company*, [1930] 1 Ch 102 at 124-125 as follows:

The statutory duties cast upon him involve the getting in of the property and applying such property in satisfaction of the liabilities *pari passu*, and subject thereto the distribution of the balance among the members. ... I think there can be no doubt that, in the circumstances of the case, a high standard of care and diligence is required from a liquidator. ... He is, of course paid for his services, he is able to obtain wherever it is expedient the assistance of solicitors

and counsel; and, which is a most important consideration, he is entitled, in every case of serious doubt or difficulty in relation to the performance of his statutory duties, to submit the matter to the Court, and to obtain its guidance.

[30] The liquidator has the power to apply to the Court, as it did in the present case, to obtain guidance in carrying out its duties and to fulfill its mandate of winding up the corporation.

[31] One of the powers set out in s. 215 of the *Act* is the power to settle or compromise. Section 215(1)(g) provides as follows:

215(1) A liquidator may:

...

(g) settle or compromise any claims by or against the corporation.

[32] In this case, once it was appointed as liquidator, and following the Claims Process Order, which had been ordered by the Court on January 10, 2020, KPMG determined that the claim brought by the representative plaintiff against the directors of the corporation was included in the definition of “claim” included in Article 1.1 of the liquidation plan. KPMG also determined the representative plaintiff and the class of shareholders he represents may be creditors of the corporation bound under para. 12 of the Claims Process Order. The liquidator, therefore, wrote a letter to Mr. Merchant, who was the solicitor for Mr. Koroluk, the representative plaintiff, requesting that Mr. Koroluk file a proof of claim on or before the claims bar date and suggested that if he did not do so, “the claim will be forever barred, estopped, enjoined, and extinguished.”

[33] Furthermore, proofs of claim have also been filed by the former directors of PrimeWest claiming indemnity from and against the corporation regarding the class

action. A proof of claim has also been filed by Ernst & Young, a co-defendant in the class action. The liquidator had the power and the duty to consider the claim brought against the directors and PrimeWest in carrying out the liquidator's duties.

[34] I am satisfied therefore that the liquidator had a duty to apply to the Court for direction in respect to the liquidation plan and the Claims Process Order. Neither the orders, nor the plan of liquidation specifically stated that the class action would not be included in the Claims Process Order.

3. *Was the class action included in the Claims Process Order?*

[35] The liquidation plan, which was attached to the Amended and Restated Order of November 25, 2019 as Schedule "A" includes a definition in Article 1.1 of a claim. It provides:

1.1 In this Liquidation Plan:

...

"Claim" means:

- (a) any right of any Person against the Corporation in connection with any indebtedness, liability or obligation of any kind of the Corporation and any interest accrued thereon or costs payable in respect thereof, whether liquidated, unliquidated, reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any claim made or asserted against the Corporation through any affiliate or associate or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future with respect to any matter, action, cause or chose in action; and

- (b) any existing or future right of any Person against any one or more of the Directors which arose or arises as a result of such Director's position, supervision, management or involvement as a Director or otherwise in any other capacity in connection with the Corporation, whether such right, or the circumstances giving rise to it, arose before or after the Effective Date and whether enforceable in any civil, administrative or criminal proceeding.

but does not include an Equity Claim; ...

[Emphasis added]

[36] As indicated previously, the liquidator is bound to follow the Liquidation Plan and the Claims Process Order. As was stated in §25.147 of *Canadian Business Corporations Law*, 3d ed:

§25.147 ... However appointed, the liquidator of a corporation is a fiduciary *vis-à-vis* the corporation and those who are concerned in it. He or she must administer the property of the corporation as a general fund for the benefit of those persons in accordance with their respective rights. The duties of the liquidator are owed to the persons concerned in the corporation generally (whether as creditors, shareholders or contributories), not to any of them individually, no matter how great or small their respective claims may be. ...

[37] I find therefore that the class action QBG 1727 is included in the Liquidation Plan pursuant to Article 1.1(b) and the Claims Process Order.

4. *What is the effect of the removal of the word "directors" from paragraph 14 of the liquidation plan?*

[38] At the time of the hearing at which the original order for the liquidation of PrimeWest was granted on October 31, 2019, Mr. Merchant objected to the original order which read:

No Proceedings Against Directors or Officers

14. No Proceeding shall be commenced or continued against any of

the former or current officers of the Corporation with respect to any Claim except with leave of this Court.

[39] Mr. Merchant objected to having the word “directors” included in para. 14 which he submitted would prevent him from continuing with the class action which he had brought on behalf of Mr. Koroluk in QBG 1727 of 2018, Judicial Centre of Regina. Mr. Merchant suggested that the class action was not brought against PrimeWest and that any reference to the class action should be removed from the liquidation order.

[40] The Court proposed to the parties that the order be amended to remove the word “directors” from para. 14 and all parties at the hearing advised that the order could then issue. The order excluded the reference to a proceeding against the directors being barred. That would not mean that the planned liquidation would not take place.

5. *What is the effect of the removal of paragraph 2(b) from the definition of “claim” in the liquidation plan referred to the Amended and Restated Order of November 25, 2019?*

[41] Counsel for PrimeWest and Randy Koroluk, on behalf of the class action, submitted to the Court a consent order referred to as the Amended and Restated Order, which the Court issued on November 25, 2019. It removed a reference to the class action from para. 2(b) of the liquidation plan:

2 ...

(b) the Court of Queen’s Bench action commenced against certain current and former directors of the Corporation in QBG No. 1727 of 2018.

[42] Mr. Merchant, on behalf of the class action, and Mr. Sutherland, on behalf of PrimeWest, disputed then and still dispute, their rationale for signing the consent

order, but there is no doubt that the consent order removed the reference to QBG 1727 of 2018. Mr. Merchant suggests that re-litigation of the exclusion is barred by issue estoppel and referred the Court to *Sherwood v Burston* (1995), 127 Sask R 71 (QB). However, as stated in that case, in order to find an issue estoppel, three conditions must be fulfilled: (1) the same matter was decided in both proceedings; (2) the judicial decision was final; and (3) the parties were the same.

[43] I am not satisfied that issue estoppel applies in the circumstances of this case. It is not clear why the reference to the class action was removed from the amended and restated order. Also the parties to the consent order were not the same as the parties in this action. KPMG, the liquidator appointed by the Court, did not appear as a party in the liquidation plan or the order which confirmed the liquidation plan; neither did the directors of PrimeWest or Ernst & Young. Furthermore, KPMG is bound to follow the Claims Process Order dated January 10, 2020 and the definitions that are found within the Claims Process Order. Neither Mr. Merchant or PrimeWest objected to or appealed the Claims Process Order.

[44] The Claims Process Order makes it clear that a proof of claim must be filed in respect to every claim that is identified by the liquidator. In this case, the liquidator has identified the class action as well as the claim for contribution and indemnity by the directors in respect to the class action as potential claims against the assets of PrimeWest. The liquidation order would be meaningless as far as determining the issues necessary for the winding up of PrimeWest if it could be held up until final adjudication on the class action. The statement of claim in the class action has not even been served on all the named defendants. Furthermore, a review of the class action file does not indicate any steps have been taken towards certification even though the action was commenced in 2018. Finally, the class action could take years to proceed to any judgment. The question of priority as between any judgment or settlement in the class

action and the directors or the auditor can be determined by the liquidator or by court order at a later date.

Conclusion

[45] I therefore find:

- (a) The representative plaintiff in the class action QBG 1727 of 2018, Randy Koroluk and the members of the class action he represents, are not excluded from the liquidation proceedings in QBG 1455 of 2019.
- (b) Randy Koroluk, the representative plaintiff in the class action, is required by the terms of the Claims Process Order to file with KPMG a proof of claim within 30 days of the date of this order. The claims bar date found in the Claims Process Order is extended to August 7, 2020.
- (c) The claim of the representative plaintiff, Randy Koroluk, as well as the claims of the directors and the auditor, Ernst & Young, for contribution and indemnity may be considered by KPMG in its role of liquidator and its recommendations to the Court in respect to the liquidation of PrimeWest.
- (d) There will be no order as to costs of the applications.

 J.
N.G. GABRIELSON

APPENDIX “B”

LIQUIDATOR’S LETTER OF AUGUST 21, 2020 TO MERCHANT



KPMG Inc.
DA – Restructuring & Turnaround
205 5th Avenue SW
Suite 3100
Calgary, AB T2P 4B9
Tel 403-691-8000
Fax 403-691-8008
www.kpmg.ca

E. F. Anthony Merchant, Q.C.

Merchant Law Group LLP
2401 Saskatchewan Drive
Regina, Saskatchewan
S4P 4H8

August 20, 2020

Dear Sir:

Re: PrimeWest Mortgage Investment Corporation – In Liquidation

NOTICE OF STATUS OF CLAIMS

On October 24, 2019, **PRIMEWEST MORTGAGE INVESTMENT CORPORATION** (the “**Corporation**”) commenced voluntary liquidation under *The Business Corporations Act*, RSS 1978, c B-10 (the “**Liquidation**”) and, by Amended and Restated Order of the Court of Queen’s Bench for Saskatchewan dated November 25, 2019, continued the Liquidation under Court supervision (the “**Liquidation Proceedings**”), with KPMG Inc. appointed as the Liquidator (the “**Liquidator**”).

As part of the Liquidation Proceedings, the Court of Queen’s Bench for Saskatchewan ordered that a Claims Process be initiated in order that all Claims against the Corporation and its directors and officers can be determined. A copy of the Claims Process Order of the Honourable Mr. Justice N.G. Gabrielson dated January 10, 2020, is enclosed. All terms not otherwise defined in this letter shall have the meanings ascribed to them in the Claims Process Order.

You are receiving this letter for the following reasons:

- 1) You have filed two Proofs of Claim against the Directors.
- 2) The term “Claim” is defined at Article 1.1 of the Liquidation Plan attached as Schedule “A” to the Order of the Honourable Justice N.G. Gabrielson dated November 25, 2019, which Liquidation Plan was approved by such Order. The definition of “Claim” in the Order dated November 25, 2019, was adopted in the Claims Process Order. A Claim includes “...any right of any Person against the Corporation in connection with any indebtedness, liability or obligation of any kind of the Corporation and any interest accrued thereon or costs payable in respect thereof, whether liquidated, unliquidated, reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed,



legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any claim made or asserted against the Corporation through any affiliate or associate or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future with respect to any matter, action, cause or chose in action; and any existing or future right of any Person against any one or more of the Directors which arose or arises as a result of such Director's position, supervision, management or involvement as a Director or otherwise in any other capacity in connection with the Corporation, whether such right, or the circumstances giving rise to it, arose before or after the Effective Date and whether enforceable in any civil, administrative or criminal proceeding".

- 3) The Liquidator has reviewed the two Proofs of Claim filed by your office, and has determined that it meets the definition of a "Claim" against the Directors.
- 4) The Liquidator has further determined that it is unable to accept, revise or reject the Claim summarily and, therefore, pursuant to paragraph 22 of the Claims Process Order, the Liquidator is required, in due course, to file and serve upon your office a Notice of Application returnable in the Liquidation Proceedings seeking the direction of the Court.
- 5) This letter constitutes written notice to the Claimant by the Liquidator that it will serve the Notice of Application upon your office at the earliest possible opportunity.
- 6) **No further action is required by or on behalf of you in regard to this claim at this time.**

Should you have any questions or concerns regarding the foregoing, please contact Cristina Pimienta at 403-691-8406, or cpimienta@kpmg.ca.

Yours faithfully,

KPMG Inc., in its capacity as liquidator
of PrimeWest Mortgage Investment Corporation,
and not in its personal or corporate capacity

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

Neil Honess, Senior Vice President
Enclosure

APPENDIX “C”

**INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS FROM
OCTOBER 31, 2019 TO NOVEMBER 13, 2020**

**IN THE MATTER OF THE VOLUNTARY LIQUIDATION OF
PRIMEWEST MORTGAGE INVESTMENT COPORATION
LIQUIDATOR'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
OCTOBER 31, 2019 TO NOVEMBER 13, 2020**

RECEIPTS	AMOUNT (CAD\$)
Opening balance	1,775,312
Asset sale proceeds	2,720,874
Mortgage payouts	258,500
Other collections	133,185
Mortgage receipts	46,090
Interest	1,432
TOTAL RECEIPTS	4,935,393
DISBURSEMENTS	
Liquidator's fees	305,443
Legal fees for PrimeWest	171,882
Liquidator's counsel fees	213,308
Payroll, wages and contractors	133,425
GST PST and municipal taxes paid	121,647
Commission	108,920
Inspector fees	43,500
Insurance	28,827
Consulting	19,047
Software and hardware	11,821
Rent	8,400
Utilities	3,557
Advertising	3,029
Security	2,114
Bank fees	1,182
Storage	1,134
Repairs and maintenance	506
TOTAL DISBURSEMENTS	1,177,741
EXCESS OF RECEIPTS OVER DISBURSEMENTS	3,757,652

APPENDIX “D”

LIQUIDATION PROFESSIONAL FEES INVOICES



KPMG Inc.
 Suite 3100 Bow Valley Square II
 205 - 5th Avenue SW
 Calgary, AB T2P 4B9

Payment Address:
 KPMG LLP, T4348
 P.O. Box 4348, Station A
 Toronto, ON M5W 7A6

March 12, 2020

PrimeWest Mortgage Investment
 Corporation
 307 Jessop Ave
 Saskatoon, SK S7N 1Y5

Invoice : 8002958328
 Reference : 2001086694
 Client : 1000074099
 Contact : Neil Honess
 Telephone : (403) 691-8014
 Email : neilhoness@kpmg.ca

For the professional services rendered during the period November 18, 2019 - February 28, 2020 with respect to PrimeWest Mortgage Investment Corporation liquidation.

See attached schedules for a summary of time by individual.

Our Fee	\$	143,205.00 CAD
Disbursements		6,197.45
	\$	149,402.45 CAD
GST		7,470.12
PST		8,592.30
Amount Due	\$	165,464.87 CAD

Payment is due upon receipt

GST/HST Number 12236 3153 RT0001 QST Registration 1023774310 TQ0001

CAD Cheque Payments: KPMG LLP, T4348, P.O. Box 4348, Station A, Toronto, ON M5W 7A6
Please return remittance advice with cheque.

CAD Wire Payments: Beneficiary: KPMG LLP

Bank Details: TD Canada Trust, 55 King St. West, Toronto, ON M5K 1A2, Bank Code # 004, Transit # 10252,
 Account # 0938281, Swift Code TDOMCATTOR

Please e-mail related wire payment details including invoice number to kpmg-ar@kpmg.ca

Invoice No: 8002958328 **Reference:** 2001086694 **Client:** 1000074099 **Amount:** \$ 165,464.87 CAD

PrimeWest Mortgage Investment Corporation
For the Period of November 18, 2019 - February 28, 2020

Name	Position	Hours	Std Rate	Fee
Neil Honess	Partner	45.00	\$ 650.00	29,250.00
Joe Sithole	Senior Manager	61.30	\$ 500.00	30,650.00
Cristina Pimienta	Manager	226.50	\$ 350.00	79,275.00
Andrew Brausen	Senior Consultant	2.10	\$ 300.00	630.00
Annette Chopowick	Technician	17.00	\$ 200.00	3,400.00
Total				143,205.00

Nature		Fee
Newspaper advertising		3,523.38
Airfare		1,500.16
Accommodation		709.52
Meals and per diems		241.87
Transportation		222.52
Total		6,197.45

Subtotal	149,402.45
GST	7,470.12
PST	8,592.30
Grand Total	\$ 165,464.87

PrimeWest Mortgage Investment Corporation
For the Period of November 18, 2019 - February 28, 2020

Name	Date	Hours	Description
Neil Honess	18-Nov-19	0.80	Update discussion with C. Pimienta re: various issues - property/loan portfolio, potential steps moving forward, claims process and listing.
Neil Honess	19-Nov-19	1.40	Review of legal case issues, discussions with Mike re: same and update email to Inspectors.
Neil Honess	20-Nov-19	0.60	Update on PrimeWest claim; update with C. Pimienta re: MG and W Law group invoices ; update on condo sales.
Neil Honess	21-Nov-19	0.60	Various discussions with Mike and M Tobin; update on court case; update on condo sale contract and signing thereof; signing payroll and contractor cheques.
Neil Honess	22-Nov-19	0.80	Discussion with W Law re: claims process.
Neil Honess	25-Nov-19	1.50	Review of claims process order from W Law ; discussions with J. Sithole and C. Pimienta re: ongoing asset judicial matters; discussion and signing of amended condo sale agreement; email re: pre-Liquidation lawyers bills.
Neil Honess	26-Nov-19	2.10	Call on claims process and discussions before: and after call with W Law, C. Pimienta and J. Sithole; issues re: ceasing to be Reporting Issuer and engagement of Miller Thomson; discussion with C. Pimienta and J. Sithole re: condo sales and strategy re: same.
Neil Honess	27-Nov-19	0.70	Various discussions with J. Sithole and C. Pimienta and W Law re: condo sale and planning and reviewing email to Inspectors re: same.
Neil Honess	28-Nov-19	1.20	Discussion with W Law re: first report to court and filing deadlines; review and execution of various documents re: condo sale; review of invoices; review of first draft of update memo to inspectors and comments on same; Discussions with C. Pimienta re: financial statement matter, review of language and discussions thereon.
Neil Honess	29-Nov-19	2.20	Review of revised claims process order from W Law and comments and discussion thereon; review, finalization and sending Inspectors' update and further emails with Inspectors subsequent thereto; Review of financial statements and discussion with W Law re: submission and potential exposure: issues; review of revised order from MG.
Neil Honess	2-Dec-19	0.50	Update request to C. Pimienta re: removal of reporting issuer status matters; update re: Mike re: claims process order and email to MG re: same.
Neil Honess	3-Dec-19	0.80	Review of Ostrander documents from Miller Thomson and discussion with C. Pimienta re: background, likely collectability and potential costs of maintaining the action.
Neil Honess	4-Dec-19	0.80	Review of outline sketch of the First Report; update re: claims process from Mike Russell; review of cheques for rent, Marlene wages.
Neil Honess	5-Dec-19	1.80	Chasing email to Will re: update and fee approval; overview of first report and review of first draft, comments thereon back to J. Sithole and C. Pimienta and discussion thereon re: preparation of next draft of report.
Neil Honess	6-Dec-19	1.40	Review of report, comments to J. Sithole and C. Pimienta re: same, email to Mike at W Law with first draft of report and comments and throughout report and areas where further input required.
Neil Honess	9-Dec-19	0.70	Update call to W Law re: 1st report review and comments thereon; update email with J. Sithole and C. Pimienta re: de-listing; update discussion with C. Pimienta re: condo sales position.
Neil Honess	10-Dec-19	1.10	Review of updated report from W Law and discussion with Mike Russel re: same; review of changes proposed, and various amendments to report drafting and further discussions with J. Sithole re: same.
Neil Honess	11-Dec-19	0.90	Final review of First Report based on J. Sithole and C. Pimienta edits to Mike and Michelle's comments, and passing report back to W Law for final review.
Neil Honess	12-Dec-19	0.40	Update on reporting issuer status deregistration and delisting matters; update and review of claim re: hotel operator.
Neil Honess	17-Dec-19	0.60	Final review of first report and approval to execute and file.
Neil Honess	18-Dec-19	0.30	Update email with W Law re: progress toward full sign off and filing of First Report and application materials; discussion re: serving Inspectors, determined W Law should.
Neil Honess	19-Dec-19	0.10	Review of email traffic re: filing of First Report and quick text to Mike Russell to confirm same.
Neil Honess	7-Jan-20	0.50	initial discussion in respect of second update to Inspectors with J. Sithole and C. Pimienta; review and approval of certain payments.
Neil Honess	6-Jan-20	2.80	Review of numerous cheques for vendors, discussions with C. Pimienta re: same and signing; liaison with J. Sithole and W Law re: attendance at Court hearing in Saskatoon; email to Mike at W Law re: any correspondence in respect of court hearing upcoming, email from Michelle in response and call to discuss Brundige's concerns and possible tweaking of the order to accommodate concerns; discussion re: Moose Jaw property and break ins and conclusions re: nothing different that could be done.
Neil Honess	8-Jan-20	0.40	Discussion with C. Pimienta.
Neil Honess	9-Jan-20	0.60	Further update discussion with W Law re: amendment to order for Brundige's comments/adjournment motion; briefing of J. Sithole re: same and court appearance tomorrow.

Neil Honess	10-Jan-20	1.10	Emails with W Law and J. Sithole re: update on finding language suitable for an amended order for D. Brundige; discussion with W Law, J. Sithole after court to ascertain details; initial emails to J. Sithole and C. Pimienta re: Inspector's update and preparation of claims process.
Neil Honess	13-Jan-20	2.70	Update on court proceedings with W Law and J. Sithole ; planning, preparation, drafting and issuance of second report to the Inspectors; planning meeting re: initiation of claims process including review of claims package, review and edits to the newspaper advertisement and discussion with W Law re: cover letter and Schedule B matters; review and signing of cheques.
Neil Honess	14-Jan-20	0.80	Review of cover letter to legal claimants from W law and comments thereon and emails in respect thereof as drafting continues; comments and emails re: schedule "B" .
Neil Honess	15-Jan-20	2.30	Review of completed schedules for non-contentious creditors and comments thereon; discussion with C. Pimienta re: inclusion of order and cover letter for these; discussion with Mike Russell re: claims package to directors, EY and PI Investment; discussion re: insurance.
Neil Honess	16-Jan-20	0.10	Update from J. Sithole and C. Pimienta re: claims process requirements.
Neil Honess	20-Jan-20	1.00	Update from J. Sithole and C. Pimienta re: claoims process notification requirements and initial feed back; review of email from C. Pimienta re: 534 8th ave and response thereto.
Neil Honess	21-Jan-20	0.10	Text with Mike Russell confirming mail out of claims packages.
Neil Honess	22-Jan-20	0.60	Discussions with Mike Russell re: any feedback from claims process; determination to prepare electronic versions as needed.
Neil Honess	22-Jan-20	0.30	Discussion with C. Pimienta re: next steps and upcoming matters.
Neil Honess	23-Jan-20	0.10	Update discussion with banking re: handling of funds in trust.
Neil Honess	24-Jan-20	0.20	Discussion with C. Pimienta re: judicial sale offer and conditions, analysis for response to offer.
Neil Honess	27-Jan-20	0.20	Update texts with Mike Russell re: correspondence from Merchant Law or other counterparties.
Neil Honess	28-Jan-20	0.60	Various emails and texts with Mike re: correspondence from Merchant et al, discussions of next steps re: legal issues.
Neil Honess	29-Jan-20	0.30	Update with C. Pimienta re: plan for reaching out to Merchant on claims package, and discussion of bar date.
Neil Honess	30-Jan-20	0.30	Email with Mike Russel re: claims process and Merchant Law reminder; review and signing of cheques.
Neil Honess	31-Jan-20	0.40	Receipt of email from Merchant law and various emails to W Law re: same.
Neil Honess	3-Feb-20	1.20	Review of materials sent by Merchant law arguing that his matter is excluded from the liquidation (voluminous materials).
Neil Honess	4-Feb-20	1.10	Review of correspondence from W Law to the Court and discussion with Mike re: same; review of CRA claim and discussion with C. Pimienta re: same; review of email from C. Pimienta re: berm requirement at judicial sale property and response thereto.
Neil Honess	5-Feb-20	0.80	Discussions with C. Pimienta re: potential mediation and settlement plans with two lawsuits, discussion of structure, attendance and likely timing .
Neil Honess	6-Feb-20	0.80	Review of various drafts of 3rd update to Inspectors, input thereon and sending final version.
Neil Honess	7-Feb-20	0.10	Email to Inspectors re: call.
Neil Honess	7-Feb-20	0.10	Email to W Law re: availability for call.
Neil Honess	10-Feb-20	0.40	Discussion with Mike re: timing for a call; email to Inspectors re: same and various emails thereafter to arrange update meeting.
Neil Honess	13-Feb-20	0.50	Various emails in respect of an agenda for the call this pm; emails re: Merchant Law issue.
Neil Honess	14-Feb-20	0.90	Preparation for Inspector call including pre-Inspector call with W Law, J. Sithole and C. Pimienta, reviewing current situation and discussion re: structure: of call.
Neil Honess	16-Feb-20	0.50	Follow up email summarizing minutes of call with inspectors.
Neil Honess	20-Feb-20	0.40	Review of equity claims disallowance email and response thereto.
Neil Honess	21-Feb-20	0.20	Approval of payments.
Neil Honess	25-Feb-20	0.20	Email to W Law re: insurance and potential for claims thereon.
Neil Honess	26-Feb-20	0.80	Review of Ostrander offer, discussion with C. Pimienta re: same; review of directors' claims and discussion with C. Pimienta re: same.
Neil Honess	27-Feb-20	0.30	Discussion with C. Pimienta re: insurance.

Sub Total		45.00	
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Joe Sithole	19-Nov-19	2.50	Discussion with C. Pimienta, conference call with M. Russel and M. Kaminsky, review of remaining assets to be liquidated.
Joe Sithole	21-Nov-19	1.30	Conference call with C. Pimienta and M. Russel, review of realtor agreement, review of draft correspondence to lawyers.
Joe Sithole	27-Nov-19	1.50	Phone call with M. Russel, drafting of condo sale email to inspector group, review of prior sales by PrimeWest.
Joe Sithole	28-Nov-19	2.00	Review and draft of update email to inspector group, discussions with C. Pimienta.
Joe Sithole	29-Nov-19	1.50	Review of Q3 2019 MD&A, discussions with C. Pimienta,
Joe Sithole	2-Dec-19	2.00	Engagement administration, review of Liquidator invoice detail, discussions with C. Pimienta and N. Honess.
Joe Sithole	4-Dec-19	3.30	Review and edits to Liquidators first report, review of supporting schedule details, assessment of liquidation disbursements, review of originating application.
Joe Sithole	5-Dec-19	4.90	Review and edits to Liquidators first report, discussions with N. Honess and C. Pimienta, review of liquidation activities to date, assessment of remaining liquidation requirements.
Joe Sithole	6-Dec-19	1.00	Review and edits to Liquidator's first report, correspondence with legal counsel.
Joe Sithole	10-Dec-19	2.40	Review and edits to Liquidator's first report, phone call with legal counsel, discussions with N. Honess re: legal claims.
Joe Sithole	18-Dec-19	1.60	Review of invoices, discussions with legal counsel, review of claims process order.
Joe Sithole	9-Jan-20	3.60	Travel to Saskatoon for Court attendance.

Joe Sithole	10-Jan-20	6.00 Attendance of Saskatoon Court re: claims process application, discussions with M. Russel and M. Tobin, travel to Calgary.
Joe Sithole	13-Jan-20	3.50 Discussions with N. Honess, preparation for claims process, arrangements for newspaper advertisements, review of claims package documents.
Joe Sithole	14-Jan-20	1.50 Discussions with N. Honess, emails to M. Russel and M. Tobin, arrangements for newspaper advertisements, review of correspondence to legal counsels.
Joe Sithole	15-Jan-20	4.50 Review of claims package and various schedules and documents to be sent to creditors, emails to M. Russel and M. Tobin, arrangements for newspaper advertisements, review of creditor listing, review of correspondence to legal counsels.
Joe Sithole	16-Jan-20	1.00 Final review of creditor packages, discussions with C. Pimienta.
Joe Sithole	21-Jan-20	2.00 Emails to M. Russel and M. Tobin, review of responses from various legal counsels, assessment of claims process rights and requirements.
Joe Sithole	24-Jan-20	1.50 Discussions with N. Honess, review of legal counsel applications, emails to M. Russel and M. Tobin.
Joe Sithole	29-Jan-20	1.50 Discussions with C. Pimienta, review of progress on liquidation of assets, review of disbursements.
Joe Sithole	30-Jan-20	1.00 Discussions with C. Pimienta, review of liquidation progress.
Joe Sithole	3-Feb-20	2.40 Review of Merchant Law documents, discussions with M. Russel and M. Tobin, review of condo sale progress.
Joe Sithole	5-Feb-20	3.50 Discussions with M. Tobin and M. Russel, review of liquidation activities to date, review of engineering report re: Moose Jaw property, preparation of update to inspectors, review of correspondence from Merchant Law.
Joe Sithole	14-Feb-20	2.50 Discussions with C. Pimienta, review of asset sale progress, review of claims received to date, conference calls with M. Russel, M. Tobin, C. Pimienta, N. Honess, and inspector group.
Joe Sithole	20-Feb-20	1.00 Discussions with C. Pimienta, review of claims process requirements.
Joe Sithole	25-Feb-20	1.00 Review of various legal matters.
Joe Sithole	27-Feb-20	0.80 Review of correspondence re: various legal matters.

Sub Total	61.30
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Cristina Pimienta	18-Nov-19	7.50 Review and get N. Honess to execute building permit for commercial unit sold; discussions with M. Kaminsky regarding FCAA application; McDougall Gauley invoices processing; update to N. Honess regarding file.
Cristina Pimienta	19-Nov-19	2.00 Discussion with M. Kaminsky, M. Russell and J. Sithole regarding remaining loans and plans to realize going forward.
Cristina Pimienta	19-Nov-19	2.00 Review statement of claims related to Ostrander loans, various correspondence with interested parties as well as M. Kaminsky; update loan documents based on discussions with W Law and M. Kaminsky.
Cristina Pimienta	19-Nov-19	1.00 Discussion and planning with J. Sithole regarding file status.
Cristina Pimienta	20-Nov-19	7.00 Review and request N. Honess to execute documents related to the extension of the conditional sale for the condos; review AP sent by M. Kaminsky and prepare: AP document for final review and processing; discussion with A. Doetzl regarding taxes to be filed; various correspondence including official letter sent to Merchant Law; communication to inspectors regarding ongoing proceedings with the Company.
Cristina Pimienta	21-Nov-19	2.50 Request wire to be sent to ADP for payroll processing; send M. Blonski executed extension for conditional sale; draft and send letter to current lawyers dealing with various PrimeWest matters;
Cristina Pimienta	22-Nov-19	3.00 Reply to interested potential purchasers of properties; send updated broker contract to M. Blonski; review ADP payroll reports; discussion with M. Kaminsky regarding 1764239 Alberta Inc.; correspondence with M. Russell regarding FCAA application.
Cristina Pimienta	25-Nov-19	7.50 Obtain and review shareholder list; discussion with M. Kaminsky; discussion with ADP regarding funding going forward and obtain account confirmation letter; discussion with N. Honess and J. Sithole regarding relator's contract; update to N. Honess and J. Sithole regarding file status and status of all mortgages and assets held for sale; discussion with Great West Group regarding employee benefits continuation and payments going forward; review payroll reports.
Cristina Pimienta	26-Nov-19	7.50 Request non objecting beneficial owner and geographical list of shareholders report to fill application to cease being a reporting issuer; obtain quotes regarding application; discussion and analysis regarding 402 new offer received; review invoices received to date and determine which ones will be included as part pf the claims process.
Cristina Pimienta	27-Nov-19	7.50 Draft email to the inspectors, review offer on unit 402 and respective schedules; discussion with N. Honess, M. Russell, M. Tobin regarding 402 offer; review rent roll and update accordingly; review market update for 2300 Board street and prepare: analysis for N. Honess and J. Sithole; submit payment requisition for PrimeWest accounts payable.
Cristina Pimienta	28-Nov-19	7.50 Discussion regarding financial reporting and application to cease being a reporting issuer; discussion with M. Russel regarding outstanding items left; discussion with M. Kaminsky regarding payments processed and outstanding payments; discussions with M. Blonski regarding 401 sale and finalize all documents for new offer.
Cristina Pimienta	29-Nov-19	7.50 Review financial statements and Management discussion and analysis; add section regarding liquidation; update financials and finalize for filing.
Cristina Pimienta	2-Dec-19	2.00 Finalize legal list and mail notification letter to all lawyers.
Cristina Pimienta	2-Dec-19	1.00 General file administration.
Cristina Pimienta	2-Dec-19	1.00 Discussion with M. Kaminsky regarding various payables and process going forward.
Cristina Pimienta	2-Dec-19	1.00 Discussion with M. Russell regarding W Law invoices and file update.
Cristina Pimienta	3-Dec-19	2.00 Create disbursement voucher for Ascend and A. Chopowick to process.

Cristina Pimienta	3-Dec-19	1.00 Discussion with N. Honess and J. Sithole re: PrimeWest v 1764239 Alberta Ltd. and Brian Ostrander.
Cristina Pimienta	3-Dec-19	1.00 Discussions with M. Kaminsky regarding various issues and invoices received to be processed for payment; review invoices received.
Cristina Pimienta	3-Dec-19	0.50 Discussions with N. Honess regarding file including appointment matters and memos.
Cristina Pimienta	3-Dec-19	0.50 Review approval from inspectors and proceed to instruct management company to rent vacant suites.
Cristina Pimienta	4-Dec-19	7.50 Draft First Liquidator's report for N. Honess and J. Sithole's review.
Cristina Pimienta	5-Dec-19	1.50 Review of amended claims process form and order create Proof of claim form and circulate with M. Russel, M. Tobin, J. Sithole and N. Honess.
Cristina Pimienta	5-Dec-19	1.00 Discussions with Broadridge, Computershare and M. Kaminsky regarding non objecting beneficial owner list and approvals and the geographical list of shareholders report.
Cristina Pimienta	5-Dec-19	1.00 Update First Liquidator's report based on N. Honess layout add section regarding appointment issues.
Cristina Pimienta	5-Dec-19	0.50 Discussions with Realtor regarding price change on listed unit and amendment document.
Cristina Pimienta	5-Dec-19	0.50 Banking matter with A. Chopowick.
Cristina Pimienta	6-Dec-19	5.00 Make edits to the first Liquidators report; review disbursements and create additional schedules for partial payments; update from M. Kaminsky; request bank statements, follow up re: non objecting beneficial owner list and geographical list of shareholders report; forward condo sale documents; discussion with M. Russell regarding claims that must be served by the Company to maintain position; discussion with SaskTel re: liquidation notice; scan signed cheques fro A. Chopowick mail payables received.
Cristina Pimienta	9-Dec-19	5.00 Discussion with Miller Thompson regarding the application to cease being a reporting issuer; send all documents related to the shares to M. Wright; discussion with M. Blonski about the condo sale as well as updated closing documents, listings and adjustments to his contract; discussion with M. Kaminsky regarding trailing fees and review documents provided; response to various parties reaching out to the Liquidator regarding the file; review files for trading including CDS Participant List and discussions regarding the matter with M. Kaminsky and update regarding condo rentals.
Cristina Pimienta	10-Dec-19	5.00 SaskTel correspondence and correspondence with various creditors; update First Liquidator's report based on N. Honess and W Law comments; Reconciliation of geographical list of shareholders report and non objecting beneficial owner list, OBO list and registered shares; Discussion with N. Honess, J. Sithole and M. Russell regarding instructions to Miller Thompson for B. Ostrander file; Discussions with M. Kaminsky regarding various ongoing matters.
Cristina Pimienta	11-Dec-19	1.50 Finalize report and do final review and update based on proof read.
Cristina Pimienta	12-Dec-19	5.50 Send queries for payables, review invoices and process payment; update payables tracker and send disbursement form to A. Chopowick to write cheques; review application documents to cease being a reporting issuer and execute verification form; discussion with M. Russell and M. Tobin regarding assignment of rental agreement, Moose Jaw property under judicial sale and application documents to cease being a reporting issuer.
Cristina Pimienta	13-Dec-19	2.50 Discussion regarding ongoing matters with N. Honess and J. Sithole; discussion with M. Russell regarding outstanding matters and ongoing proceedings by the Company; discussion with M. Kaminsky regarding payables due during the month of December to process payments next week.
Cristina Pimienta	16-Dec-19	3.00 Prepare: statement of Receipts and disbursements, review and add all transactions made to the Company's bank account. Update report based on proof read and send to N. Honess for final review.
Cristina Pimienta	17-Dec-19	3.00 Discussion with M. Kaminsky; Process invoices received for payment; reply to shareholders, investment account managers and interested parties; finalize First Liquidator's report.
Cristina Pimienta	18-Dec-19	2.50 Preparation of disbursements based on invoices received this week update disbursements tracker; review documents related to public auction for hotel in Medicine Hat; update Liquidator's report; discussion with the City of Saskatoon re: invoices and amounts outstanding; upload application documents to Liquidators Website.
Cristina Pimienta	20-Dec-19	2.50 Review disbursements and mail out cheques signed; follow up with M. Wright about application to OSC and obtain filing documents and review report from listing of assets held for sale; discussions with M. Kaminsky regarding sale and OSC call as well as vacation and next steps.
Cristina Pimienta	2-Jan-20	2.00 Discussion regarding FCAA, surrender license request; review and sign removal of conditions for unit 109; discussion with M. Russell and M. Tobin regarding correspondence from Paul Harasen.
Cristina Pimienta	3-Jan-20	2.00 Discussion with N. Honess, M. Russell's and M. Tobin regarding withdrawal from P. Harasen; finalize condition removal documents and get executed by Liquidator.
Cristina Pimienta	6-Jan-20	2.00 Discussion regarding break-ins on Moose Jaw property and updates since December 20th; update to N. Honess and J. Sithole.
Cristina Pimienta	7-Jan-20	3.00 Discussion with M. Kaminsky regarding updates; update disbursement tracker sheet for all invoices and cheque numbers to update accounting records.
Cristina Pimienta	8-Jan-20	2.00 Create and review disbursement voucher requisition for A. Chopowick to process.
Cristina Pimienta	9-Jan-20	2.00 Discussion with ADP regarding wire: and reports; update to N. Honess and A. Chopowick regarding wire.
Cristina Pimienta	13-Jan-20	3.50 Update with N. Honess and J. Sithole regarding Claims order, next steps and update to inspectors; review Ad notice and discussion with M. Tobin regarding dates; review final order and start claims package.
Cristina Pimienta	14-Jan-20	3.50 Discussion with M. Russell regarding letters; update creditor list and AP list from the company's books and records; update creditors package; discussion with N. Honess and J. Sithole regarding creditors' package.

Cristina Pimienta	15-Jan-20	7.00 Disbursement voucher for A. Chopowick to process; discussion regarding insurance and response to Hoffmann Kool regarding D&O run-off policy; discussion with M. Kaminsky regarding lock smith, reporting issuer and break in on Moose Jaw property; complete claims package including notice to creditors, schedule B where: applicable, cover letters print and mail package to all creditors; Signing affidavit of mailing for creditors' packages.
Cristina Pimienta	16-Jan-20	2.00 Claims package for website; draft, update and post on Liquidator's website, mail remaining letters to creditors.
Cristina Pimienta	17-Jan-20	2.00 Discussion with M. Kaminsky re: reporting issuer items and items needed from Sentinel group; call and email to S. Houmphanh regarding liquidation and reporting requirements to Sentinel.
Cristina Pimienta	27-Jan-20	2.00 Discussion regarding file update and update on current mortgages proceedings; discussion with selling party and potential interested renters.
Cristina Pimienta	28-Jan-20	2.00 Review and execute extension for listing; contact Miller Thompson Regina regarding invoice received and claims package
Cristina Pimienta	29-Jan-20	4.00 Process payments for last week of January; ISC filing as per letter received by the director of Corporations; Discussion with M. Russell regarding claims process and plan for upcoming weeks; Discussion regarding taxes that need to be filed by the Corporation.
Cristina Pimienta	30-Jan-20	4.00 Various correspondence received regarding claims Package, reply to questions and discussion with M. Kaminsky regarding Moose Jaw property listing. Review study performed by engineering firm on Moose Jaw property.
Cristina Pimienta	31-Jan-20	1.00 Call with City of Saskatoon regarding letter received, forward deposit documents to A. Chopowick and correspondence with M. Kaminsky regarding vendors.
Cristina Pimienta	22-Jan-20	6.00 Discussion with M. Russell regarding file status and various correspondence received from all lawyers dealing with PrimeWest mortgage enforcements, judicial sales, etc. Create soft copies of all the proofs of claim mailed and send to M. Russell. Respond to creditors on queries regarding outstanding amounts.
Cristina Pimienta	24-Jan-20	4.00 Review offer for listing on Jan 20th, discussion with N. Honess and W law re: same.
Cristina Pimienta	3-Feb-20	3.00 Review correspondence received from Merchant law regarding their proof of claim. forward correspondence to W law, J. Sithole and N. Honess. discussions with W. Law and N. Honess regarding the same.
Cristina Pimienta	4-Feb-20	4.00 Discussion with M. Tobin and update to N. Honess and J. Sithole regarding Moose Jaw property listing, MPE Engineering report and discussion with R. Sandbeck and realtor regarding property sale; Review proofs of claim received and sent to W law for disallowance response as well as plan forward for contingent claims.
Cristina Pimienta	5-Feb-20	5.00 Discussion with M. Russell and M. Tobin regarding ongoing proceedings, moose jaw property and counter offer on Regina property; instructions to A. Brausen regarding disbursement tracker updates; payroll items and discussion with M. Kaminsky regarding payment to inspectors; request wire: to fund ADP.0.5 - Reply to Century management regarding their proof of claim; forward to A. Chopowick notice of refund and ask for entry to be made to adjust balance, forward deposit made into the account with correct entries to book on Ascend to A. Chopowick.
Cristina Pimienta	6-Feb-20	6.00 Update to inspectors and discussion thereof; discussion with ADP and A. Chopowick regarding payroll; email from Ernst and Young regarding their claim.
Cristina Pimienta	7-Feb-20	2.00 Review invoices received from M. Kaminsky; sending of disbursement tracker.
Cristina Pimienta	10-Feb-20	2.00 Update on PrimeWest Mortgage Investment v. 101010610 Saskatchewan et al.
Cristina Pimienta	12-Feb-20	2.50 Discussion with M. Tobin regarding counter offer on 538 8th Avenue in Regina, get counter offer executed by N. Honess; discussions with M. Kaminsky regarding bank statement and ongoing matters.
Cristina Pimienta	13-Feb-20	2.00 Discussion with M. Russell and M. Tobin regarding ongoing proceedings, review update from M. Tobin,
Cristina Pimienta	14-Feb-20	5.00 Meeting of inspectors; pre: meeting of inspectors with W law; Draft meeting minutes and discussions with M. Kaminsky and J. Sithole regarding ongoing items and update on proceedings.
Cristina Pimienta	19-Feb-20	5.00 Letter to equity claimants, send wire: for payroll services; discussion with M. Kaminsky and M. Russell regarding ongoing proceedings.
Cristina Pimienta	20-Feb-20	5.00 Review and submit disbursement voucher; discussions with M. Kaminsky regarding current insurance and payments made; update to J. Sithole regarding file.
Cristina Pimienta	24-Feb-20	4.00 Email and mail response to claim received; discussions with M. Kaminsky; Letter received from Gowling and response regarding the same.
Cristina Pimienta	26-Feb-20	4.00 Respond to former directors counsel and review claims received from former directors; review documents received from Ostrander; discussion with N. Honess and J. Sithole regarding claims received and Ostrander settlement.
Cristina Pimienta	27-Feb-20	2.00 Discussion with M. Russel and M. Tobin regarding insurance, Ostrander negotiations and updates on claims received
Cristina Pimienta	28-Feb-20	1.00 Review documents re: judgement from PrimeWest against Ostrander family holdings.
Sub Total		226.50
Andrew Brausen	5-Feb-20	2.10 Preparation of disbursement requisition tracker; discussion with C. Pimienta re: same.
Sub Total		2.10
Annette Chopowick	19-Nov-19	0.40 Attend to banking matters.
Annette Chopowick	21-Nov-19	0.20 Attend to banking matters.
Annette Chopowick	22-Nov-19	0.30 Attend to banking matters.
Annette Chopowick	27-Nov-19	0.80 Attend to banking matters.
Annette Chopowick	29-Nov-19	0.30 Attend to banking matters.
Annette Chopowick	4-Dec-19	1.80 Attend to banking matters.
Annette Chopowick	5-Dec-19	0.30 Attend to banking matters.

Annette Chopowick	6-Dec-19	0.60	Attend to banking matters; bank reconciliation.
Annette Chopowick	13-Dec-19	0.60	Attend to banking matters.
Annette Chopowick	16-Dec-19	0.60	Attend to banking matters.
Annette Chopowick	18-Dec-19	1.20	Attend to banking matters.
Annette Chopowick	19-Dec-19	0.70	Attend to banking matters.
Annette Chopowick	7-Jan-20	0.40	Attend to banking matters.
Annette Chopowick	8-Jan-20	0.60	Attend to banking matters.
Annette Chopowick	9-Jan-20	1.00	Attend to banking matters.
Annette Chopowick	17-Jan-20	1.20	Attend to banking matters.
Annette Chopowick	20-Jan-20	0.30	Attend to banking matter.
Annette Chopowick	30-Jan-20	0.70	Attend to banking matters.
Annette Chopowick	3-Feb-20	0.50	Attend to banking matters.
Annette Chopowick	5-Feb-20	0.50	Attend to banking matters.
Annette Chopowick	6-Feb-20	0.50	Attend to banking matters.
Annette Chopowick	11-Feb-20	0.60	Attend to banking matters.
Annette Chopowick	19-Feb-20	0.60	Attend to banking matters.
Annette Chopowick	21-Feb-20	1.30	Attend to banking matters.
Annette Chopowick	24-Feb-20	0.80	Attend to banking matters.
Annette Chopowick	26-Feb-20	0.20	Attend to banking matters.

Sub Total	17.00
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TOTAL	351.90
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KPMG LLP
 Suite 3100 Bow Valley Square II
 205 - 5th Avenue SW
 Calgary, AB T2P 4B9

Payment Address:
 KPMG LLP, T4348
 P.O. Box 4348, Station A
 Toronto, ON M5W 7A6

July 14, 2020

PrimeWest Mortgage Investment
 Corporation
 307 Jessop Ave
 Saskatoon, SK S7N 1Y5

Invoice : 8003162651
 Reference : 2001086694
 Client : 1000074099
 Contact : Neil Honess
 Telephone : (403) 691-8014
 Email : neilhoness@kpmg.ca

For the professional services rendered during the period March 2, 2020 - July 7, 2020 with respect to PrimeWest Mortgage Investment Corporation liquidation.

See attached schedules for a summary of time by individual.

Our Fee	\$	47,600.00	CAD
Disbursements		4,266.86	
		\$ 51,866.86	CAD
GST		2,593.34	
PST		2,856.00	
		\$ 57,316.20	CAD

Payment is due upon receipt

GST/HST Number 12236 3153 RT0001 QST Registration 1023774310 TQ0001

CAD Cheque Payments: KPMG LLP, T4348, P.O. Box 4348, Station A, Toronto, ON M5W 7A6
Please return remittance advice with cheque.

CAD Wire Payments: Beneficiary: KPMG LLP
 Bank Details: TD Canada Trust, 55 King St. West, Toronto, ON M5K 1A2, Bank # 004, Transit # 10252,
 Account # 0938281, Swift Code TDOMCATTOR
 Please e-mail related wire payment details including invoice number to kpmg-ar@kpmg.ca

Invoice No: 8003162651 **Reference:** 2001086694 **Client:** 1000074099 **Amount:** \$ 57,316.20 CAD

PrimeWest Mortgage Investment Corporation
For the Period of March 2 - July 7, 2020

Name	Position	Hours	Std Rate	Fee
Neil Honess	Partner	24.60	\$ 650.00	15,990.00
Joe Sithole	Senior Manager	2.60	\$ 500.00	1,300.00
Cristina Pimienta	Manager	76.00	\$ 350.00	26,600.00
Andrew Brausen	Senior Consultant	2.70	\$ 300.00	810.00
Annette Chopowick	Technician	14.50	\$ 200.00	2,900.00
Total				47,600.00

Nature	
Utilities	2,503.13
Legal fees	758.73
Estoppel and moving costs	692.31
Mail forwarding	312.69
Total	4,266.86

Subtotal	51,866.86
GST	2,593.34
PST	2,856.00
Grand Total	\$ 57,316.20

PrimeWest Mortgage Investment Corporation
For the Period of March 2 - July 7, 2020

Name	Date	Hours	Description
Neil Honess	2-Mar-20	0.20	Review of condo rental agreement assignment and signing thereof.
Neil Honess	3-Mar-20	0.80	Discussion with C. Pimienta re condo sale offer and counter; discussion with C. Pimienta re realization estimates and billing for the next update to Inspectors.
Neil Honess	4-Mar-20	0.90	Approval of ADP wire; discussion re condo sale; discussion re update to Inspectors around condo sale, Ostrander settlement.
Neil Honess	6-Mar-20	0.40	Update on Ostrander settlement; discussion with C. Pimienta re claims process.
Neil Honess	11-Mar-20	1.50	Review of claims post claims bar process; call with W Law re same; update document to Inspectors.
Neil Honess	10-Mar-20	0.70	Review of early draft of update to Inspectors and commentary thereon; review of documents from Merchant Law and discussion with W Law re same.
Neil Honess	12-Mar-20	0.20	Finalizing update to Inspectors, sending of same.
Neil Honess	16-Mar-20	1.20	Work on Second Liquidator's report and discussion with W Law.
Neil Honess	17-Mar-20	0.60	Emails and discussions with M. Russell re adjournment of Merchant hearing; email to Inspectors re
Neil Honess	19-Mar-20	0.20	Discussion with C. Pimienta and M. Russell re deferring mortgage payments.
Neil Honess	23-Mar-20	0.70	Email and discussions with W Law re timetables in claims process and next steps.
Neil Honess	24-Mar-20	0.90	Discussion with W Law re Merchant position; review of email re settlements and discussion with M. Russell re one single notice and ensure MG have waiver ready.
Neil Honess	25-Mar-20	0.10	Email to M. Russell chasing re waiver document.
Neil Honess	27-Mar-20	0.30	Discussion with C. Pimienta re request from condo tenant to defer rent due to COVID-19.
Neil Honess	1-Apr-20	0.40	Review of rent cheque and approval to sign; email to W Law re deadlines in claims process, review of email in response.
Neil Honess	2-Apr-20	0.30	Review of W Law email back re claims process and response thereto.
Neil Honess	3-Apr-20	0.50	Review of email from C. Pimienta re condo sales and discussion on email re the same.
Neil Honess	8-Apr-20	0.10	Email to W Law chasing for determination re claims and conversation thereon with M. Russell Russell.
Neil Honess	13-Apr-20	0.30	Review of condo sales documents and e-signing same.
Neil Honess	14-Apr-20	0.80	Email to W Law re chasing on responses to claims received and further discussion re response and timetable for same; discussions with C. Pimienta re making payments to vendors in COVID situation.
Neil Honess	20-Apr-20	0.20	Text exchange with W Law re responses to claims update.
Neil Honess	21-Apr-20	0.50	Review and approval of payments; review of annual review and signing thereof.
Neil Honess	22-Apr-20	0.80	Review of letter re directors' claims and comments thereon to W Law plus subsequent version review and chasing re next set of letters.
Neil Honess	24-Apr-20	0.30	Final review of letter re Directors' claim and discussion with W Law re other claims' progress.
Neil Honess	1-May-20	0.50	Case update with J. Sithole and C. Pimienta re current matters and issues arising.
Neil Honess	6-May-20	0.40	Update call with C. Pimienta; review and approval of payments.
Neil Honess	11-May-20	0.30	Review and response to email from Tom re update to the Inspectors; discussion with M. Russell re director's claim and placeholder for update re same.
Neil Honess	12-May-20	1.10	Update call with W Law re all matters; briefing with J. Sithole and C. Pimienta re email.
Neil Honess	14-May-20	0.40	Finalization and sending of Inspectors 5th update.
Neil Honess	15-May-20	0.10	Response to Inspector and confirmation to W Law to proceed as 3 of 4 Inspectors now agreed.
Neil Honess	19-May-20	0.30	Discussion with W Law re making application to resolve Merchant issue - proactive rather than reactive -
Neil Honess	22-May-20	1.20	Review of application materials from W Law re Merchant, and discussion re same with W Law.
Neil Honess	28-May-20	0.80	Review and signing of counter offer on property; review of issue with Anindi settlement, email to Inspectors and responses thereto.
Neil Honess	8-Jun-20	0.80	Review of judicial sale matter and email to C. Pimienta; review of condo sale issue and email re same.
Neil Honess	9-Jun-20	1.50	Review of documents from Merchant law and discussions with W Law re same and court hearing on June 10: approval of Condo sale.
Neil Honess	10-Jun-20	0.60	Update on condo sales and discussions with C. Pimienta re same; email from Merchant and question to
Neil Honess	11-Jun-20	0.60	Various emails with C. Pimienta re condo sales issues; mortgage relief voicemail.
Neil Honess	12-Jun-20	0.60	Email from W Law re responses to Granite and Brundige claims; update on court hearing re Merchant law.
Neil Honess	16-Jun-20	0.30	Email to W Law regarding claims process update and Merchant Law matter.
Neil Honess	22-Jun-20	0.40	Approval of wire for payroll; text with M. Russell Russell re Merchant law matter.
Neil Honess	23-Jun-20	0.30	Offer re condo and discussion.
Neil Honess	29-Jun-20	0.10	Update with W Law re Merchant ruling.
Neil Honess	30-Jun-20	0.30	Discussion with C. Pimienta re condo sales.
Neil Honess	6-Jul-20	0.50	Review and rejection of condo offer; review of email re offer on litigation.
Neil Honess	7-Jul-20	0.60	Various emails in respect of two prospective condo sales.
Sub Total		24.60	

Joe Sithole	4-Mar-20	1.80 Drafting of update to inspectors, review of condo sales offers, discussions with N. Honess and C. Pimienta. review of settlement offer.
Joe Sithole	5-Mar-20	0.80 Follow-up on Inspector update, discussions with N. Honess.
Sub Total		2.60
Cristina Pimienta	2-Mar-20	1.00 Review assignment of contract from property management and get signature from N. Honess.
Cristina Pimienta	3-Mar-20	1.00 Discussion with M. Kaminsky regarding 401 offer received, discussion with M. Blonski regarding offers coming in; request updated rent roll from management company.
Cristina Pimienta	4-Mar-20	3.50 Draft email to the inspectors; discussions with M. Blonski, M. Kaminsky, N. Honess and J. Sithole regarding 401 offers received; process payroll request; create PrimeWest realization analysis for update to the inspectors and prepare summary of professional fees; send reminder regarding claims bar date.
Cristina Pimienta	6-Mar-20	2.00 Review claims received; respond to queries from various creditors filing proofs of claim; discussion with N. Honess regarding settlement and follow up with M. Kaminsky and T. Archibald regarding approval; discussion with M. Russell regarding settlement and moving forward.
Cristina Pimienta	10-Mar-20	4.00 Review claims received; and draft email to the inspectors.
Cristina Pimienta	11-Mar-20	2.00 Discussion with N. Honess, J. Sithole and W Law regarding claims received and update to email draft.
Cristina Pimienta	16-Mar-20	6.00 Draft second Liquidator's report.
Cristina Pimienta	31-Mar-20	2.00 Disbursements.
Cristina Pimienta	1-Apr-20	2.00 discussions with M. Kaminsky and M. Russel regarding tenants and ongoing matters. Discussion re sale of parking stall.
Cristina Pimienta	2-Apr-20	2.00 Contact vendors regarding changes to payables and update payment tracker
Cristina Pimienta	3-Apr-20	1.00 Discussions with M. Kaminsky and M. Russell regarding Covid-19 updates and changes.
Cristina Pimienta	6-Apr-20	3.00 Discussion with M. Russell; update payment tracker and all vendors payments for disbursements. Discussion with management company re new tenants and Covid-19 issues;
Cristina Pimienta	7-Apr-20	1.00 Process payroll payment request, fill disbursement voucher and discussion with A. Chopowick regarding the same and other AP matters.
Cristina Pimienta	8-Apr-20	2.00 Send invoices to M. Kaminsky, discussion with tax to prepare tax files and review documents.
Cristina Pimienta	9-Apr-20	2.00 Discussion with M. Russel regarding 304 contract and response to Gowlings regarding stay of proceedings on current actions by PrimeWest
Cristina Pimienta	13-Apr-20	1.00 Correspondence with M. Kaminsky and start documents needed for tax filing.
Cristina Pimienta	14-Apr-20	2.00 Discussion with M. Tobin and M. Russel regarding invoices for ongoing proceedings and W Law
Cristina Pimienta	15-Apr-20	3.50 Call all vendors for payment with credit cards and submit all other payments for wire transfers.
Cristina Pimienta	6-May-20	3.00 dealing with moving items, backup of servers, and various inquiries from M. Kaminsky. Process rent and payroll payments
Cristina Pimienta	7-May-20	3.00 Deal with Covid19 request from tenants on the Regina building.
Cristina Pimienta	8-May-20	2.50 Review responses for claims and execute.
Cristina Pimienta	11-May-20	3.00 payments, call to Pitney Bowes, letter to lessors regarding leased items. Discussion on move by end of the month; start drafting inspectors update
Cristina Pimienta	12-May-20	4.00 Inspector's update; get updated rent roll and margining report; discussion with N. Honess, M. Russell and J. Sithole;
Cristina Pimienta	13-May-20	1.00 Pay SaskTel, Saskpower, Miller Thompson and others through credit card or online banking as no cheques can be made due to Covid-19
Cristina Pimienta	14-May-20	0.50 Discussion with M. Kaminsky regarding SaskTel, payments and bank reconciliations.
Cristina Pimienta	19-May-20	2.00 Various payments made through credit card or EFT; follow up on outstanding payments due to lack of information: process PrimeWest payroll.
Cristina Pimienta	20-May-20	1.50 PrimeWest entry to A. Chopowick on deposit made from sale of apartment; discussion with M. Kaminsky regarding moving, IT and disconnection of services; discussion with Miller Thompson LLP for payment.
Cristina Pimienta	22-May-20	1.00 Review filing application and post on Liquidator's website.
Cristina Pimienta	25-May-20	0.50 Discussion with M. Russell and M. Tobin.
Cristina Pimienta	5-Jun-20	1.50 Discussion with M. Kaminsky regarding partial discharge on consumer proposal; Discussion with M. Russell regarding pending responses and negotiations; Discussion on Moose Jaw property listing; payroll funding and review.
Cristina Pimienta	8-Jun-20	2.00 Review brief of law for hearing and all items to be uploaded into website.
Cristina Pimienta	9-Jun-20	1.00 Review and respond offer on 304.
Cristina Pimienta	10-Jun-20	2.00 Review and respond to offer on 404; hearing details; discussions with M. Kaminsky on various items
Cristina Pimienta	11-Jun-20	1.50 Response to claims filed.
Cristina Pimienta	17-Jun-20	1.00 File status update.
Cristina Pimienta	18-Jun-20	2.00 Sign schedule C; review adjusted offer and inspection report and execute update offer.
Cristina Pimienta	22-Jun-20	1.00 Review offer on 201; discussion with M. Russel regarding inspector's approval and update on court proceedings.
Cristina Pimienta	25-Jun-20	1.00 201 offer discussion; sign and determine closing costs.
Sub Total		76.00

Andrew Brausen	1-Apr-20	0.80 Phone calls with vendors to set up wire transfer payments.
Andrew Brausen	2-Apr-20	1.20 Phone calls with vendors to set up wire transfer payments.
Andrew Brausen	8-Apr-20	0.30 Phone calls with vendors to determine process for paying invoices with wire transfers.
Andrew Brausen	9-Apr-20	0.40 Emails with vendors setting up electronic payments.

Sub Total	2.70
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Annette Chopowick	4-Mar-20	0.70 Attend to banking matters
Annette Chopowick	6-Mar-20	0.30 Bank reconciliation
Annette Chopowick	18-Mar-20	0.40 Attend to banking matters
Annette Chopowick	19-Mar-20	0.20 Attend to banking matters
Annette Chopowick	1-Apr-20	0.40 Attend to banking matters
Annette Chopowick	2-Apr-20	0.10 Attend to banking matter
Annette Chopowick	3-Apr-20	0.30 Attend to banking matters
Annette Chopowick	6-Apr-20	0.40 Attend to banking matters
Annette Chopowick	7-Apr-20	0.30 Attend to banking matters
Annette Chopowick	14-Apr-20	0.30 Attend to banking matters
Annette Chopowick	15-Apr-20	0.40 Attend to banking matters
Annette Chopowick	21-Apr-20	2.10 Attend to banking matters
Annette Chopowick	23-Apr-20	1.10 Attend to banking matters; bank reconciliation
Annette Chopowick	1-May-20	0.40 Attend to banking matters
Annette Chopowick	4-May-20	0.60 Attend to banking matters
Annette Chopowick	6-May-20	0.50 Attend to banking matters
Annette Chopowick	13-May-20	0.20 Started bank reconciliation
Annette Chopowick	19-May-20	0.50 Attend to banking matter
Annette Chopowick	21-May-20	0.90 Attend to banking matters; finish bank reconciliation
Annette Chopowick	29-May-20	0.20 Attend to banking matters
Annette Chopowick	2-Jun-20	1.50 Attend to banking matters
Annette Chopowick	5-Jun-20	0.70 Attend to banking matters
Annette Chopowick	9-Jun-20	0.30 Attend to banking matters
Annette Chopowick	11-Jun-20	0.20 Attend to banking matters
Annette Chopowick	23-Jun-20	0.50 Attend to banking matter
Annette Chopowick	29-Jun-20	1.00 Attend to banking matters

Sub Total	14.50
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TOTAL	120.40
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KPMG LLP
 Suite 3100 Bow Valley Square II
 205 - 5th Avenue SW
 Calgary, AB T2P 4B9

Payment Address:
 KPMG LLP, T4348
 P.O. Box 4348, Station A
 Toronto, ON M5W 7A6

September 23, 2020

PrimeWest Mortgage Investment
 Corporation
 307 Jessop Ave
 Saskatoon, SK S7N 1Y5

Invoice : 8003263610
 Reference : 2001086694
 Client : 1000074099
 Contact : Neil Honess
 Telephone : (403) 691-8014
 Email : neilhoness@kpmg.ca

For the professional services rendered during the period July 2, 2020 - September 17, 2020 with respect to PrimeWest Mortgage Investment Corporation liquidation.

See attached schedules for a summary of time by individual.

Our Fee	\$	29,465.00	CAD
Disbursements		6,635.61	
	\$	36,100.61	CAD
GST		1,805.03	
PST		1,767.90	
Amount Due	\$	39,673.54	CAD

Payment is due upon receipt

GST/HST Number 12236 3153 RT0001 QST Registration 1023774310 TQ0001

CAD Cheque Payments: KPMG LLP, T4348, P.O. Box 4348, Station A, Toronto, ON M5W 7A6
Please return remittance advice with cheque.

CAD Wire Payments: Beneficiary: KPMG LLP
 Bank Details: TD Canada Trust, 55 King St. West, Toronto, ON M5K 1A2, Bank # 004, Transit # 10252,
 Account # 0938281, Swift Code TDOMCATTOR
 Please e-mail related wire payment details including invoice number to kpmg-ar@kpmg.ca

Invoice No: 8003263610 **Reference:** 2001086694 **Client:** 1000074099 **Amount:** \$ 39,673.54 CAD

PrimeWest Mortgage Investment Corporation
For the Period of July 2, 2020 - September 17, 2020

Name	Position	Hours	Std Rate	Fee
Neil Honess	Partner	11.60	\$ 650.00	7,540.00
Cristina Pimienta	Manager	57.50	\$ 350.00	20,125.00
Annette Chopowick	Technician	9.00	\$ 200.00	1,800.00
Total				29,465.00

Nature	Fee
Utilities	2,781.95
Estoppels and other costs related to sale of assets	2,230.78
Legal - PrimeWest counsel	758.73
Operating costs	551.46
Mail forwarding	312.69
Total	6,635.61

Subtotal	36,100.61
GST	1,805.03
PST	1,767.90
Grand Total	\$ 39,673.54

PrimeWest Mortgage Investment Corporation
For the Period of July 2, 2020 - September 17, 2020

Name	Date	Hours	Description
Neil Honess	8-Jul-20	1.10	Various emails re condo sale; update with Mike Russell re court hearing and appeal; plan for Inspectors update.
Neil Honess	13-Jul-20	0.80	Work on finalizing and sending out update to Inspectors.
Neil Honess	14-Jul-20	0.20	Finalization of update to Inspectors.
Neil Honess	16-Jul-20	0.20	Final Inspector approval, planning for condo strategy.
Neil Honess	22-Jul-20	0.10	Approve payment.
Neil Honess	27-Jul-20	0.80	Review of condo sales; review of mortgage repayment.
Neil Honess	28-Jul-20	0.50	Update from W Law re Merchant; signing condo papers; discussion with Joe re EOS.
Neil Honess	29-Jul-20	0.20	Review and signing of listing agreement.
Neil Honess	31-Jul-20	0.60	Further discussion re update on estimated outcome statement and crafting draft response; texts with W Law re Merchant appeal.
Neil Honess	4-Aug-20	0.60	Finalization of the update/EOS to the Inspectors; chasing and update re Merchant issue.
Neil Honess	5-Aug-20	0.40	Review and signing condo listing agreement; review of email re McDougal Gouley retainer; email re approval of ADP wire.
Neil Honess	11-Aug-20	1.00	Call in respect to the Merchant appeal and discussion of next steps.
Neil Honess	12-Aug-20	0.20	Review of legal letter to Merchant and email re same.
Neil Honess	20-Aug-20	0.10	Emails with W Law re Merchant.
Neil Honess	21-Aug-20	1.10	Review and execution of letter to Merchant discussion with W Law re report, drafting the same and finalizing for submission.
Neil Honess	24-Aug-20	0.20	Review of filed materials for SK court of appeal.
Neil Honess	25-Aug-20	0.20	Emails re public record re the supplemental report to Court of Appeal .
Neil Honess	26-Aug-20	0.10	Email with W Law re court of appeal hearing.
Neil Honess	28-Aug-20	0.20	Emails re next steps for reporting, court adjudication of claims.
Neil Honess	1-Sep-20	0.30	Discussion with W Law re next steps, next report, timing of hearing with Merchant .
Neil Honess	3-Sep-20	0.20	Update from W Law re current situation re other claims not Merchant and discussion re moving these forward.
Neil Honess	4-Sep-20	0.10	Update from W Law re Merchant appeal.
Neil Honess	10-Sep-20	0.40	Discussion with W Law re non-merchant claims; merchant appeal; reporting.
Neil Honess	14-Sep-20	1.10	Review of brief re Merchant appeal and discussion with W Law re same; discussion re update to Inspectors.
Neil Honess	16-Sep-20	0.50	Email from/response to Tom; initial planning email re update report.
Neil Honess	17-Sep-20	0.40	Further input into the update to inspectors; review and approval of payments.
Sub Total		11.60	
Cristina Pimienta	2-Jul-20	2.50	Update on liquidation proceedings; payment of invoices; entry for 304 sale proceeds.
Cristina Pimienta	3-Jul-20	2.50	Review and execute various offers received including discussions with relator and negotiations on pricing and conditions.
Cristina Pimienta	7-Jul-20	2.50	Review offer on unit 305 and discussion with M. Kaminsky and M. Blonski; payroll funding. 1 - review fiat of Justice Gabrielson, J.
Cristina Pimienta	8-Jul-20	1.50	Review offer on unit 206; various discussions on 305 offer.
Cristina Pimienta	9-Jul-20	1.00	Sign all documents for 201, 206 and 304.
Cristina Pimienta	10-Jul-20	3.00	Draft inspectors update; discussion with M. Kaminski on status; discussion with M. Russell and M. Tobin on updates.
Cristina Pimienta	13-Jul-20	2.50	Inspectors update finalize and input N. Honess comments; discussion with M. Russell regarding inspectors update; signing all forms for 305;
Cristina Pimienta	15-Jul-20	2.50	Inspectors update an realization analysis.
Cristina Pimienta	16-Jul-20	2.50	review all documents on 305 sale; discussion with M. Blonski and M. Kaminsky on sale; get all documents executed.
Cristina Pimienta	20-Jul-20	1.00	Estoppel for 305 and discussions with M. Blonski and M. Kaminsky.
Cristina Pimienta	21-Jul-20	1.50	Removal for 206 review and sign discussion with M. Kaminsky send bank statement and expenses included in Liquidator's fees.
Cristina Pimienta	27-Jul-20	2.50	404 listing documents; review negotiate offer and sign contracts; discussion with M. Kaminsky on Mani Nero's settlement.
Cristina Pimienta	29-Jul-20	2.50	305 removal review and sign and 404 estoppel payment processed; update realization analysis based on current receipts and disbursements and expected items. Discussion with N. Honess regarding new analysis and comparison from old analysis for inspectors.
Cristina Pimienta	30-Jul-20	2.00	Review listing for unit 110; discussion with M. Kaminsky on Hydeman
Cristina Pimienta	4-Aug-20	2.00	Condo sale documents and 404 walkthrough adjustment; sign updated offer; payroll funding review and request; review and execute listing documents.
Cristina Pimienta	5-Aug-20	2.50	Draft updated realization analysis and compare to prior realization analysis.
Cristina Pimienta	12-Aug-20	2.00	Review documents for listing; send updated listing documents; finalize sale on 305; review proof of claim filed by Merchant; discussion with M. Kaminsky regarding various item.
Cristina Pimienta	19-Aug-20	3.50	Review offer on 110; draft and finalize First Supplemental report of the liquidator; review response letter to Merchant regarding proof of claim filed.
Cristina Pimienta	25-Aug-20	2.00	Review offer on 110 and negotiate with purchaser; post items on website; update appeal by Merchant.
Cristina Pimienta	26-Aug-20	2.50	Review all mail received; Follow up on Maidstone property order Nisi; discussion with M. Kaminsky; Respond to various requests from shareholders.

Cristina Pimienta	27-Aug-20	1.50 Estoppel for 110; discussion with M. Kaminsky on ongoing proceedings.
Cristina Pimienta	2-Sep-20	1.50 Discussion on ongoing Order Nisi and sales process for Moose Jaw Property, Maidstone and others.
Cristina Pimienta	3-Sep-20	1.50 Review and fund payroll; Discussion with M. Russell and N. Honess on ongoing merchant matters.
Cristina Pimienta	9-Sep-20	2.00 Disbursement voucher for processing, review new transactions on Conexus account.
Cristina Pimienta	15-Sep-20	0.50 Insurance and discussions with M. Kaminsky on various ongoing proceedings.
Cristina Pimienta	16-Sep-20	2.00 Review and deposit cheque related to mortgage closure; Discussion with M. Kaminsky and A. Chopowick regarding the same; discussion with Access regarding statement of account; request funds to be put into a GIC.
Cristina Pimienta	17-Sep-20	4.00 Draft update to inspectors, review current balances, discussions with M. Russell, M. Tobin and N. Honess regarding update; Computershare discussion. Update realization analysis and summary of professional fees.

Sub Total	57.50
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Annette Chopowick	7-Jul-20	0.70 Attend to banking matters
Annette Chopowick	14-Jul-20	0.30 Bank reconciliation
Annette Chopowick	21-Jul-20	0.30 Attend to banking matters
Annette Chopowick	22-Jul-20	0.60 Attend to banking matters
Annette Chopowick	23-Jul-20	0.30 Attend to banking matters
Annette Chopowick	29-Jul-20	0.20 Attend to banking matters
Annette Chopowick	30-Jul-20	0.30 Bank reconciliation
Annette Chopowick	5-Aug-20	0.60 Attend to banking matters
Annette Chopowick	6-Aug-20	0.10 Attend to banking matters
Annette Chopowick	20-Aug-20	0.50 Attend to banking matters
Annette Chopowick	25-Aug-20	0.20 Attend to banking matters
Annette Chopowick	27-Aug-20	0.30 Attend to banking matters
Annette Chopowick	3-Sep-20	0.40 Attend to banking matters
Annette Chopowick	15-Sep-20	0.20 Attend to banking matter
Annette Chopowick	17-Sep-20	4.00 Attend to banking matters

Sub Total	9.00
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TOTAL	78.10
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Suite 300
110 - 21st Street East, Saskatoon, SK S7K 0B6
t.306.244.2242
f.306.652.0332
e.info@wlawgroup.com
w.www.wlawgroup.com

SUMMARY
PLEASE REMIT WITH PAYMENT

26/07/19

KPMG Inc.
#3100 - 205 - 5th Avenue SW
Calgary, AB
Canada T2P 4B9

Invoice No.: 123849

Re: PrimeWest Mortgage Investment Corporation
Our File: 43743. 1- MJR

For professional services rendered up to and including 26/07/19:

Fees	\$3,735.00
Non-taxable Disbursements	61.00
Taxable Disbursements	51.80
GST on Fees and Taxable Disbursements	189.34
PST on Fees and Taxable Disbursements	224.70
Total Invoice Amount	<u>\$4,261.84</u>
Balance Forward from Previous Invoice(s) plus Interest	<u>0.00</u>
TOTAL AMOUNT NOW DUE	<u><u>\$4,261.84</u></u>

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED

PAYMENTS MAY BE MADE BY VISA, MASTER CARD, INTERAC, ETRANSFER OR CHEQUE MADE PAYABLE TO THE W LAW GROUP LLP
OUR GST REGISTRATION NUMBER IS 121614010RT0001



05/03/19	Attendance on File Review KPMG Discussion Paper, searches, email from Neil Honess and comments to Neil Honess re matters raised in email.	
05/03/19	Reviewing background and financial information for PrimeWest Mortgage Investment Corporation; considering issues regarding SBCA liquidation; reviewing public registry searches; giving instructions to litigation searches	
06/03/19	Personal Attendance Neil Honess	
06/03/19	E-Mail to Neil Honess	
08/03/19	E-Mail to Neil Honess	
08/03/19	Reviewing and revising FAQ to be provided to the company	
18/03/19	Telephone attendance on N. Honess; reviewing engagement matters	
19/03/19	Reviewing and revising Engagement Letter	

OUR FEE	\$3,735.00
Plus 5.00% GST	186.75
Plus 6.00% PST	<u>224.10</u>

TOTAL FEES PLUS TAX(ES) \$4,145.85

NON-TAXABLE DISBURSEMENTS

01/03/19	Court Costs - Queen's Bench - Saskatoon - Litigation Search and Certificate (Primewest Mortgage Investment Corporation)	30.00
01/03/19	Queen's Bench - Regina - Litigation Search and Certificate (PrimeWest Mortgage Investment Corporation)	31.00

TOTAL NON-TAXABLE DISBURSEMENTS 61.00

TAXABLE DISBURSEMENTS

	Open File Fee	10.00
	Photocopying	4.80
28/02/19	Corporations Branch - Search (1)	6.00
28/02/19	P.P.R. Searches (1)	9.00
06/03/19	Land Registry Costs - Title Detail (2)	<u>22.00</u>

TOTAL TAXABLE DISBURSEMENTS 51.80

Plus 5.00% GST on Taxable Disbursements	2.59
Plus 6.00% PST on Taxable Disbursements	0.60

TOTAL INVOICE AMOUNT	\$4,261.84
Balance Forward from Previous Invoice(s) plus Interest	0.00
TOTAL AMOUNT NOW DUE	<u>\$4,261.84</u>

THE W LAW GROUP LLP

Michael James Russell

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED

PAYMENTS MAY BE MADE BY VISA, MASTER CARD, INTERAC, ETRANSFER OR CHEQUE MADE PAYABLE TO THE W LAW GROUP LLP
OUR GST REGISTRATION NUMBER IS 121614010RT0001



Suite 300
110 - 21st Street East, Saskatoon, SK S7K 0B6
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SUMMARY
PLEASE REMIT WITH PAYMENT

28/01/20

KPMG Inc.
#3100 - 205 - 5th Avenue SW
Calgary, AB
Canada T2P 4B9

Invoice No.: 126113

Re: PrimeWest Mortgage Investment Corporation
Our File: 43743. 1- MJR

For professional services rendered up to and including 28/01/20:

Fees	\$35,732.50
Non-taxable Disbursements	1,500.00
Taxable Disbursements	180.10
GST on Fees and Taxable Disbursements	1,795.64
PST on Fees and Taxable Disbursements	2,143.95
Total Invoice Amount	<u>\$41,352.19</u>

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED

PAYMENTS MAY BE MADE BY VISA, MASTER CARD, INTERAC, ETRANSFER OR CHEQUE MADE PAYABLE TO THE W LAW GROUP LLP
OUR GST REGISTRATION NUMBER IS 121614010RT0001



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
12/08/19	JM	Receive Instructions regarding liquidation issues	175.00	0.30	52.50
18/11/19	JM	Receive Instructions regarding examination of insurance coverage	175.00	0.10	17.50
18/11/19	JM	Receive and review insurance policy	175.00	0.90	157.50
19/11/19	MMT	Consultation in preparation for meeting with Marlene and conference call with KPMG	450.00	0.80	360.00
19/11/19	MMT	Conference Call with Cristina and Joe at KPMG and personal attendance on Marlene Kaminsky - discussion regarding PrimeWest assets and recovery of amounts owed	450.00	2.20	990.00
19/11/19	MMT	E-Mail from Marlene Kaminsky providing information on existing Judgments	450.00	0.40	180.00
19/11/19	MMT	E-Mail to Lindsay Oliver	450.00	0.20	90.00
19/11/19	JM	Draft memorandum regarding relevant insurance policy terms	175.00	2.50	437.50
19/11/19	MJR	Multiple correspondence with KPMG Inc.; correspondence from I. Sutherland; reviewing draft Consent Order and related correspondence; reviewing various documents in preparation for meeting with M. Kaminsky; meeting with M. Kaminsky; reviewing Receivership proceedings regarding Swift Hotels Group Ltd. et al.	450.00	3.80	1,710.00
20/11/19	MMT	Telephone Attendance Lindsay Oliver	450.00	0.40	180.00
20/11/19	MJR	Reviewing mortgage foreclosure matters; telephone attendance on C. Pimienta	450.00	0.50	225.00
21/11/19	MMT	Telephone Attendance Cristina Pimienta and Joe Sithole	450.00	0.40	180.00
21/11/19	MMT	Attendance on File Review John Mansbridge's Memo re Insurance Policy	450.00	0.30	135.00
21/11/19	MJR	Reviewing various insurance and foreclosure matters; telephone attendance on KPMG Inc.; telephone attendance on M. Wright regarding cease reporting application; drafting and revising listing agreement for Regina condominiums	450.00	7.70	3,465.00
22/11/19	MMT	Document Amendment Claims Process Order	450.00	2.00	900.00
26/11/19	MMT	Conference Call with KPMG	450.00	0.50	225.00
26/11/19	MMT	E-Mail from Randy Sandbeck	450.00	0.10	45.00
26/11/19	MMT	Voice Mail from and to Randy Sandbeck	450.00	0.10	45.00



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
26/11/19	MJR	Conference call with KPMG regarding various liquidation issues, including claims process; telephone attendance on G. Metivier, Local Registrar; telephone attendance on M. Wright regarding cease reporting applications; multiple correspondence from/to KPMG; telephone attendance on R. Sandbeck; reviewing foreclosure matters; revising letter to counsel on foreclosure/realization matters	450.00	2.70	1,215.00
27/11/19	MMT	Attendance on File Review Offer to Purchase and email wording for Counter Offer to Cristina Pimienta	450.00	0.30	135.00
27/11/19	MJR	Reviewing and advising regarding offer to purchase unit 402; giving instructions to agency matters regarding application to cease reporting; correspondence to Local Registrar, Court of Queen's Bench; reviewing securities matters; reviewing matters regarding the sale of unit 402; correspondence to R. Sandbeck; multiple correspondence to KPMG; correspondence to McDougall Gauley; telephone attendance on B. Kennedy; considering claims process matters	450.00	2.70	1,215.00
28/11/19	MMT	Attendance on File Following various emails between KPMG and Mike Russell and consultations	450.00	0.40	180.00
28/11/19	MJR	Correspondence from/to N. Honess; revising Claims Process Order and drafting court materials; multiple correspondence from/to KPMG;	450.00	5.20	2,340.00
29/11/19	MJR	Multiple correspondence from/to KPMG and M. Wright; revising Claims Process Order; reviewing filing issues regarding reporting; multiple telephone attendance on C. Pimienta; multiple telephone attendance on N. Honess	450.00	1.60	720.00
02/12/19	MMT	Correspondence from Miller Thomson re action against Ostrander	450.00	0.20	90.00
02/12/19	MJR	Reviewing Claims Process Order; correspondence to McDougall Gauley regarding Claims Process; telephone attendance on C. Pimienta	450.00	0.60	270.00
05/12/19	MMT	Attendance on File - Review correspondence from and telephone attendance on Patrick Harnett, email from and to Craig Frith and to Neil Honess, review receiver's reports on Swift Holdings proceedings and leave voice mail for Randy Sandbeck	450.00	1.50	675.00
05/12/19	MMT	Telephone Attendance Randy Sandbeck	450.00	0.20	90.00
05/12/19	MJR	Multiple correspondence from/to KPMG Inc.; telephone attendance on C. Pimienta; reviewing foreclosure and other legal matters; telephone attendance on P. Harnett; telephone attendance on R.	450.00	2.10	945.00



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
		Sandbeck; reviewing receivership materials regarding Swift Hotels			
08/12/19	MMT	Attendance on File Review situation regarding Holt property	450.00	0.20	90.00
09/12/19	MMT	Document Amendment Liquidator's First Report	450.00	2.00	900.00
09/12/19	MJR	Reviewing and revising First Report of the Liquidator and court materials	450.00	5.70	2,565.00
10/12/19	MMT	Document Amendment Liquidator's First Report	450.00	2.00	900.00
10/12/19	MMT	Telephone Attendance Cristina Pimienta	450.00	0.10	45.00
10/12/19	MMT	Telephone Attendance Marlene Kaminski - re execution of Interest Authorization on behalf of Primwest	450.00	0.10	45.00
10/12/19	MMT	Voice Mail to Randy Sandbeck	450.00	0.10	45.00
10/12/19	MJR	Finalizing revisions to First Report of the Liquidator; telephone attendance on M. Kaminsky; telephone attendance on J. Sithole; telephone attendance on C. Pimienta; multiple correspondence to/from KPMG Inc.; reviewing issues regarding certain foreclosure proceedings; reviewing status of cease reporting application; finalizing Claims Process Order; instructing Miller Thomson regarding claim against 1764239 Alberta Ltd. and Brian Ostrander	450.00	4.90	2,205.00
11/12/19	MMT	Telephone Attendance Marlene Kaminsky	450.00	0.20	90.00
11/12/19	MJR	Multiple correspondence to Miller Thomson regarding Alberta action; multiple correspondence to/from KPMG Inc.; telephone attendance on C. Pimienta	450.00	0.50	225.00
12/12/19	MMT	Telephone Attendance Cristina Pimienta	450.00	0.20	90.00
12/12/19	MMT	Telephone Attendance Randy Sandbeck	450.00	0.20	90.00
12/12/19	MMT	E-Mail to Marlene Kaminsky	450.00	0.10	45.00
17/12/19	MJR	Multiple correspondence from/to M. Kaminsky; correspondence from/to V. Thompson; receiving and reviewing executed First Report of the Liquidator; finalizing application materials	450.00	0.80	360.00
18/12/19	MJR	Correspondence from/to N. Honess; revising Claims Process Order; correspondence to inspectors; drafting Notice of Application and Interim Approval Order; attending to service and filing matters	450.00	3.20	1,440.00
19/12/19	JM	Attendance on File: Attended to filing of documents	175.00		70.00



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
		with Local Registrar		0.40	
30/12/19	MMT	E-Mail from and to Mike Russell	450.00	0.20	90.00
02/01/20	MMT	Telephone Attendance Dave Brundige	475.00	0.40	190.00
06/01/20	MMT	E-Mail from and to Dave Brundige	475.00	0.20	95.00
06/01/20	MMT	E-Mail from and to Neil Honess	475.00	0.20	95.00
06/01/20	MMT	Telephone Attendance Neil Honess	475.00	0.50	237.50
06/01/20	MMT	Telephone Attendance Dave Brundige	475.00	0.60	285.00
06/01/20	MJR	Telephone attendance on B. Kennedy	475.00	0.60	285.00
06/01/20	MJR	Telephone attendance on N. Honess; telephone attendance on D. Brundige; considering issues raised by D. Brundige regarding Claims Process Order; correspondence to D. Brundige	475.00	2.10	997.50
07/01/20	MJR	Telephone attendance on S. Spencer; reviewing claims process matters	475.00	0.50	237.50
08/01/20	MJR	Telephone attendance on C. Frith; reviewing matters regarding request by D. Brundige for revisions to order;	475.00	1.30	617.50
10/01/20	MMT	Court Preparation	475.00	0.50	237.50
10/01/20	MMT	Court Appearance - Application for Claims Process Order	475.00	0.60	285.00
10/01/20	MJR	Preparing for Chambers; Chambers (Gabrielson J.); attending to service matters.	475.00	2.40	1,140.00
13/01/20	MMT	Attendance on File - review and comment on wording of newspaper advertisement, various emails from and to Neil Honess, Cristina Pimienta and Joe Sithole re matters to be addressed this week, Schedule "B" to the Claims Process Order, finalizing newspaper advertisement, etc.	475.00	1.30	617.50
13/01/20	MMT	E-Mail from Neil Honess re update to the Inspectors	475.00	0.30	142.50
13/01/20	MMT	E-Mail from Neil Honess re wording of the newspaper advertisement	475.00	0.30	142.50
14/01/20	MMT	Attendance on File - review draft cover letter to Tony Merchant, review list of claims and discuss the addition of the Directors, Officers and other parties to litigation proceedings	475.00	0.60	285.00
14/01/20	MJR	Multiple correspondence regarding Claims Process; preparing cover letters and other documents for compliance with Claims Process Order; reviewing	475.00	4.70	2,232.50



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
15/01/20	MJR	Queen's Bench actions against the Corporation in conjunction with the Claims Process. Multiple correspondence from KPMG; finalizing cover letters to creditors	475.00	1.90	902.50
20/01/20	MJR	Reviewing listing matters for 534 8th Ave; correspondence from/to C. Pimienta	475.00	0.30	142.50
OUR FEE			\$35,732.50		
Plus 5.00% GST			1,786.63		
Plus 6.00% PST			2,143.95		
TOTAL FEES PLUS TAX(ES)					\$39,663.08

NON-TAXABLE DISBURSEMENTS

27/11/19	Court Costs - Queen's Bench - Saskatoon Re: Filing fees - Michael J.G. Wright Filing fees Cheque No. 92170 issued to Miller Thomson LLP	1,500.00			
TOTAL NON-TAXABLE DISBURSEMENTS					1,500.00

TAXABLE DISBURSEMENTS

Photocopying	138.60				
Long Distance	41.50				
TOTAL TAXABLE DISBURSEMENTS					180.10
Plus 5.00% GST on Taxable Disbursements					<u>9.01</u>
TOTAL INVOICE AMOUNT					<u><u>\$41,352.19</u></u>

THE W LAW GROUP LLP

Michael James Russell

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED

PAYMENTS MAY BE MADE BY VISA, MASTER CARD, INTERAC, ETRANSFER OR CHEQUE MADE PAYABLE TO THE W LAW GROUP LLP
OUR GST REGISTRATION NUMBER IS 121614010RT0001



Suite 300
110 - 21st Street East, Saskatoon, SK S7K 0B6
t.306.244.2242
f.306.652.0332
e.info@wlawgroup.com
w.www.wlawgroup.com

SUMMARY
PLEASE REMIT WITH PAYMENT

11/03/20

KPMG Inc.
#3100 - 205 - 5th Avenue SW
Calgary, AB
Canada T2P 4B9

Invoice No.: 126615

Re: PrimeWest Mortgage Investment Corporation
Our File: 43743. 1- MMT

For professional services rendered up to and including 11/03/20:

Fees	\$25,954.00
GST on Fees and Taxable Disbursements	1,297.70
PST on Fees and Taxable Disbursements	1,557.24
Total Invoice Amount	<u>\$28,808.94</u>

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DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
01/01/20	MJR	Correspondence from C. Pimienta; reviewing matters regarding claims process packages; telephone attendance on C. Pimienta	500.00	1.50	750.00
30/01/20	MMT	Attendance on File - update mortgage enforcement spreadsheet	500.00	0.40	200.00
01/02/20	MMT	Attendance on File update mortgage enforcement spreadsheet	500.00	1.50	750.00
03/02/20	MMT	Attendance on File Review Tony Merchant's material with Mike Russell and telephone conversation with Craig Frith	500.00	0.40	200.00
03/02/20	MMT	Attendance on File review Offer on Azimi property and status of Moose Jaw property	500.00	0.30	150.00
03/02/20	MMT	Telephone Attendance Greg Irvine	500.00	0.20	100.00
03/02/20	MMT	Telephone Attendance Randy Sandbeck	500.00	0.20	100.00
03/02/20	MMT	E-Mail to Cristina Pimienta	500.00	0.10	50.00
03/02/20	MMT	E-Mail to Greg Irvine	500.00	0.30	150.00
03/02/20	MJR	Multiple correspondence from KPMG; reviewing motion filed by Merchant Law Group; reviewing status of all foreclosure files; telephone attendance on G. Irvine; telephone attendance on N. Honess; correspondence regarding 534 8th Avenue, Regina; telephone attendance on C. Frith; drafting letter to Local Registrar, Court of Queen's Bench	500.00	4.20	2,100.00
04/02/20	MMT	E-Mail from and to Marlene Kaminsky	500.00	0.10	50.00
04/02/20	MMT	Email Exchange Randy Sandbeck re Moose Jaw property	500.00	0.30	150.00
04/02/20	MMT	E-Mail to Cristina Pimienta	500.00	0.10	50.00
04/02/20	MMT	E-Mail to Randy Sandbeck re Notice of Claim	500.00	0.10	50.00
04/02/20	MMT	Voice Mail from Greg Irvine	500.00	0.10	50.00
04/02/20	MMT	Attendance on File update mortgage enforcement spreadsheet	500.00	0.80	400.00
04/02/20	MJR	Correspondence from/to C. Pimienta; reviewing Proofs of Claim	500.00	1.10	550.00
05/02/20	MMT	Receive and review Counter Offer on Azmini property	500.00	0.10	50.00
05/02/20	MMT	E-Mail to Cristina Pimienta	500.00	0.10	50.00

DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
05/02/20	MMT	Telephone Attendance Cristina Pimienta	500.00	0.20	100.00
05/02/20	MJR	Telephone attendance on C. Pimienta; reviewing Claims Process Matters	500.00	0.60	300.00
06/02/20	MJR	Revising report to Inspectors; multiple emails from/to KPMG; reviewing issues regarding Merchant claim	500.00	2.00	1,000.00
11/02/20	MMT	Telephone Attendance Greg Irvine	500.00	0.10	50.00
12/02/20	MMT	Receive and review Counter Offer	500.00	0.20	100.00
12/02/20	MMT	E-Mail to Cristina Pimienta	500.00	0.10	50.00
12/02/20	MJR	Correspondence to C. Pimienta; reviewing various correspondence	500.00	0.20	100.00
13/02/20	MMT	Attendance on File Various attendances in preparation for Friday's conference call	500.00	0.30	150.00
13/02/20	MMT	Attendance on File review email from Patrick Harnett and Statement of Defence re Brian Ostrander and 176 AB Ltd. and telephone attendance with Patrick Harnett	500.00	0.40	200.00
13/02/20	MJR	Reviewing various correspondence from KPMG; telephone attendance on C. Pimienta; reviewing various correspondence regarding enforcement proceedings	500.00	2.00	1,000.00
13/02/20	MMT	Attendance on File update mortgage enforcement spreadsheet	500.00	1.40	700.00
14/02/20	MMT	Attendance on File Prepare for Conference Calls	500.00	1.00	500.00
14/02/20	MMT	Conference Call - pre-call with Liquidator	500.00	0.60	300.00
14/02/20	MMT	Conference Call with Inspectors	500.00	1.00	500.00
14/02/20	MMT	Document Amendment Minutes of Meeting	500.00	0.40	200.00
14/02/20	MJR	Telephone attendance on KPMG; telephone attendance on B. Kennedy, Q.C., telephone attendance on Inspectors and KPMG	500.00	2.00	1,000.00
15/02/20	MMT	Attendance on File - update file and prepare summary of outstanding matters from Inspectors' meeting	500.00	1.00	500.00
15/02/20	MJR	Reviewing Minutes of Inspectors' Meeting; multiple correspondence between KPMG, Inspectors and W Law	500.00	0.40	200.00



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
18/02/20	MJR	Telephone attendance on M. Kaminsky and C. Pimienta; telephone attendance on P. Harasen; reviewing claims against Ostrander on guarantees in SK and AB	500.00	1.00	500.00
19/02/20	MJR	Correspondence from C. Pimienta; telephone attendance on C. Pimienta; correspondence to P. Harnett; correspondence to V. Thomson; drafting letter to Equity Claimants; correspondence to C. Pimienta	500.00	1.50	750.00
19/02/20	MJR	Telephone attendance on C. Pimienta	500.00	0.10	50.00
20/02/20	MMT	Telephone Attendance Marlene Kaminsky	500.00	0.10	50.00
20/02/20	MMT	E-Mail to Lindsay Oliver	500.00	0.10	50.00
20/02/20	MMT	Telephone Attendance Lindsay Oliver	500.00	0.10	50.00
20/02/20	MMT	Receive and review Supplemental Affidavit from Lindsay Oliver	500.00	0.10	50.00
20/02/20	MMT	E-Mail to Marlene Kaminsky	500.00	0.10	50.00
21/02/20	MMT	Email Exchange Patrick Hartnett re Ostrander	500.00	0.10	50.00
24/02/20	MJR	Correspondence from K. Duchin; reviewing matters relating to various mortgage enforcement actions; reviewing matters related to March 19 hearing	500.00	2.20	1,100.00
24/02/20	MJR	Multiple correspondence from KPMG and P. Harnett regarding Ostrander indebtedness; correspondence from/to M. Kaminsky	500.00	0.50	250.00
26/02/20	MJR	Telephone attendance on C. Pimienta	500.00	0.30	150.00
28/02/20	AT	Review Indemnity Agreements and drafting memorandum to file	120.00	3.50	420.00
02/03/20	MJR	Drafting response letters to all Claimants filing Proofs of Claim;	500.00	2.70	1,350.00
03/03/20	MMT	E-Mail to Cristina Pimienta re Brian Ostrander Offer	500.00	0.20	100.00
03/03/20	AT	Review Indemnity Agreements	120.00	0.70	84.00
06/03/20	MMT	Telephone Attendance Randy Sandbeck	500.00	0.30	150.00
06/03/20	MMT	Telephone Attendance Randy Sandbeck	500.00	0.30	150.00



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
06/03/20	MJR	Telephone attendance on C. Pimienta; correspondence to/from C. Pimienta; telephone attendance on P. Harnett	500.00	0.30	150.00
09/03/20	MMT	Email Exchange Randy Sandbeck	500.00	0.10	50.00
10/03/20	MJR	Reviewing and revising report to Inspectors; telephone attendance on Ernst & Young; telephone attendance on Local Registrar, Court of Queen's Bench; considering matters relating to Merchant application; reviewing Proofs of Claim and Claims Process matters; giving instructions to legal research regarding trials of matters in liquidation proceedings; considering settlement matters regarding Ostrander; telephone attendance on A. Quayle	500.00	3.10	1,550.00
11/03/20	MJR	Reviewing Indemnity Agreements and Proofs of Claim from Directors; adjudicating Claims of Directors; correspondence to KPMG regarding recommendations concerning Ostrander offer	500.00)	4.70	
11/03/20	MJR	Considering multiple issues regarding the claims process and insurance matters; conference call with C. Pimienta	500.00)	4.40	
11/03/20	MMT	Telephone Attendance Update call with KPMG	500.00	0.50	250.00
11/03/20	MJR	Reviewing Proofs of Claim; reviewing and revising report to Inspectors	500.00	2.00	1,000.00
OUR FEE			\$25,954.00		
Plus 5.00% GST			1,297.70		
Plus 6.00% PST			1,557.24		
TOTAL FEES PLUS TAX(ES)					\$28,808.94
TOTAL INVOICE AMOUNT					\$28,808.94



PAGE 6 OF ACCOUNT NO. 126615

THE W LAW GROUP LLP

MMT Law Professional Corporation

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

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OUR GST REGISTRATION NUMBER IS 121614010RT0001



TOTAL INVOICE AMOUNT

\$28,808.94

THE W LAW GROUP LLP

A handwritten signature in blue ink, appearing to be 'M. M. T.', written over the company name.

MMT Law Professional Corporation

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f.306.652.0332
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w.www.wlawgroup.com

SUMMARY
PLEASE REMIT WITH PAYMENT

14/07/20

KPMG Inc.
#3100 - 205 - 5th Avenue SW
Calgary, AB
Canada T2P 4B9

Invoice No.: 127981

Re: PrimeWest Mortgage Investment Corporation
Our File: 43743. 1- MJR

For professional services rendered up to and including 14/07/20:

Fees	\$69,180.00
Non-taxable Disbursements	9,093.18
Taxable Disbursements	1,340.48
GST on Fees and Taxable Disbursements	3,526.03
PST on Fees and Taxable Disbursements	4,162.00
Total Invoice Amount	<u>\$87,301.69</u>
Balance Forward from Previous Invoice(s) plus Interest	0.00
TOTAL AMOUNT NOW DUE	<u><u>\$87,301.69</u></u>

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DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
15/01/20	MJR	Telephone Attendance on C. Pimienta and N. Honess; telephone attendance on B. Kennedy	500.00	1.50	750.00
13/03/20	MJR	Correspondence from/to KPMG; telephone attendance on counsel for Directors and E & Y; giving instructions to legal research	500.00	1.10	550.00
14/03/20	MJR	Drafting and revising Brief of Law; correspondence to Merchant Law requesting copy of filing record	500.00	4.00	2,000.00
16/03/20	MJR	Reviewing materials filed by Merchant Group; reviewing case law in regard to court application; correspondence to KPMG; reviewing matters relating to potential adjournment	500.00	1.40	700.00
16/03/20	AT	Revise Second Liquidator's Report	120.00	0.80	96.00
17/03/20	MJR	Telephone attendance on Local Registrar; multiple correspondence to counsel regarding adjournment; drafting update to inspectors; drafting letter to Court of Queen's Bench; multiple correspondence from/to KPMG	500.00	1.10	550.00
19/03/20	MMT	Attendance on File - whether to offer up waiver of NSF fees.	500.00	0.30	150.00
19/03/20	MJR	Correspondence from/to C. Pimienta; reviewing issues regarding mortgage deferral during COVID-19; reviewing policies of alternative mortgage lenders in response to COVID-19; considering issues regarding litigation against 101010610 Saskatchewan et al.; correspondence to/from V. Thomson	500.00	0.90	450.00
23/03/20	MJR	Correspondence from/to N. Honess; reviewing Proofs of Claim; telephone attendance on D. Brundige; telephone attendance on B. Kennedy; drafting motion for approval of the Inspectors	500.00	5.00	2,500.00
24/03/20	MMT	Attendance on File - reviewing matters re Brundige claims and settlement	500.00	0.40	200.00
24/03/20	MJR	Multiple correspondence with	500.00	2.60	1,300.00

DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
		KPMG; telephone attendance on B. Kennedy; telephone attendance on A. Quayle; revising update to inspectors			
24/03/20	AT	Attendance on File to review draft email to N. Honess	120.00	0.50	60.00
25/03/20	MJR	Multiple correspondence from/to KPMG; telephone attendance on C. Pimienta; reviewing Liquidation Order regarding power to defer mortgage payments; drafting letter to Mortgagors deferring mortgage payments	500.00	0.80	400.00
01/04/20	MJR	Correspondence from/to N. Honess; reviewing claims process matters	500.00	1.30	650.00
06/04/20	MJR	Correspondence from/to C. Pimienta; reviewing matters relating to request from mortgagor for payment deferral; reviewing condo bylaws regarding the potential leasing/sale of parking units	500.00	0.90	450.00
09/04/20	MJR	Reviewing and drafting responses to Proofs of Claim of Directors; correspondence from/to C. Pimienta; considering issues regarding listing agreement; reviewing correspondence from T. McRobbie; advising regarding position of Liquidator in response to position of T. McRobbie	500.00	4.80	2,400.00
14/04/20	MMT	Correspondence to Amanda Quayle - review	500.00	0.20	100.00
14/04/20	MJR	Revising letters to directors regarding Proofs of Claim; telephone attendance on A. Quayle; telephone attendance on B. Kennedy; considering various matters regarding potential settlement on Burwash and Granite claims	500.00	2.90	1,450.00
15/04/20	MJR	Telephone attendance on A. Quayle; reviewing and revising responses to Proofs of Claim	500.00	2.10	1,050.00
16/04/20	MJR	Revising responses to Claims of Directors; telephone attendance on B. Kennedy; reviewing	500.00	0.70	350.00
16/04/20	AT	Review Instructions, November	120.00	1.20	144.00

DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
21/04/20	MJR	25th Order and Liquidation Plan to consider claims process matters Revising letter to A. Quayle regarding claims of directors; telephone attendance on V. Thomson; correspondence to T. McRobbie in response to letter to KPMG; multiple correspondence to KPMG; correspondence from/to A. Quayle	500.00	3.40	1,700.00
22/04/20	MMT	Attendance on File review Amanda Quayle's amendments and consider timing of response to E&Y's Claim and what the response should be	500.00	0.30	150.00
23/04/20	MJR	Correspondence to A. Quayle; multiple correspondence from/to KPMG	500.00	0.30	150.00
27/04/20	MJR	Correspondence from/to T. McRobbie; correspondence from/to V. Thomson	500.00	0.40	200.00
28/04/20	MMT	Attendance on File Responses to E&Y and Don Zealand Proofs of Claim	500.00	0.60	300.00
28/04/20	MMT	Attendance on File - review second draft response re E&Y and Zealand and consultation with Mike Russell	500.00	0.40	200.00
01/05/20	MJR	Correspondence from I. Sutherland; correspondence from/to KPMG; correspondence from V. Thomson	500.00	0.30	150.00
04/05/20	MJR	Multiple correspondence from/to V. Thomson; considering matters relating to Anindo litigation;	500.00	0.60	300.00
05/05/20	NPC	Telephone Attendance (Interoffice) re Settlement of Outstanding Claims	300.00	0.50	150.00
05/05/20	MJR	Telephone attendance on V. Thomson; reviewing various matters in preparation to address claims of third parties in Burwash and Granite actions	500.00	3.10	1,550.00
06/05/20	MJR	Reviewing potential settlement matters pertaining to Burwash and Granite claims; telephone attendance on B. Kennedy	500.00	1.30	650.00
07/05/20	MJR	Correspondence from/to V. Thomson; correspondence from/to B. Kennedy; correspondence from T. Merchant; reviewing and	500.00	5.00	2,500.00

DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
08/05/20	MJR	considering matters regarding Proofs of Claim responses to claimants with potential rights against the directors; drafting claims response letters to counsel to Ernst & Young Inc. and Donald Zealand Reviewing Affidavit of Documents from Bob Kennedy; reviewing various legal issues pertaining to Zealand and EY Proofs of Claim; revising Proof of Claim response letters regarding Zealand and Ernst & Young claims; correspondence to A. Quayle; correspondence to S. Spencer; correspondence to D. Hanna	500.00	4.80	2,400.00
11/05/20	MMT	Conference Call - Mike Russell and Amanda Quayle	500.00	0.60	300.00
11/05/20	MJR	Multiple correspondence from/to KPMG; telephone attendance on A. Quayle; reviewing issues regarding claims against directors; voicemail from S. Spencer; correspondence from/to G. Metivier	500.00	1.30	650.00
12/05/20	MJR	Telephone attendance on KPMG regarding update to inspectors and status of claims process; drafting various updates for inclusion in update to inspectors; giving instructions to matters regarding Koroluk action and Merchant application to exclude the Koroluk action from the liquidation proceedings (the "Merchant Application");	500.00	5.40	2,700.00
13/05/20	NPC	Attendance on File Re: Merchant Application	300.00	0.70	210.00
13/05/20	MMT	Receive and review Inspectors' Summary	500.00	0.20	100.00
14/05/20	NPC	Receive and review email from Neil Honess re Summary of Litigation and Outstanding Matters	300.00	0.50	150.00
14/05/20	NPC	Attendance on File re Review Drafts of letters on Outstanding Claims Against Primewest	300.00	0.30	90.00
14/05/20	MJR	Multiple correspondence from/to KPMG; correspondence to P.	500.00	0.70	350.00

DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
		Harnett regarding Ostrander settlement; revising update to Inspectors; multiple correspondence from B. Kennedy			
15/05/20	NPC	Telephone Attendance (Interoffice) re Merchant Application	300.00	0.30	90.00
15/05/20	MJR	Multiple correspondence from Inspectors; correspondence from/to KPMG; correspondence to V. Thomson; correspondence to A. Quayle, Q.C.	500.00	0.40	200.00
19/05/20	NPC	Review File re Merchant Application and Appearance Day Application	300.00	1.00	300.00
19/05/20	NPC	Research re Merchant Application and Liquidation Order	300.00	1.00	300.00
19/05/20	MJR	Reviewing various issues regarding potential application by the Liquidator for advice and directions of Court in regard to Merchant Application; telephone attendance on N. Honess obtaining instructions regarding Court application for advice and directions; drafting Notice of Application for Advice and Directions and other relief; drafting accompanying orders for application	500.00	3.80	1,900.00
20/05/20	NPC	Research application matters and various points of law	300.00	1.80	540.00
20/05/20	NPC	Telephone Attendance (Interoffice) re Application to Determine Members of Claims Process	300.00	1.00	300.00
20/05/20	NPC	Draft Affidavit for Application to Determine Members of Claims Process	300.00	2.20	660.00
20/05/20	NPC	Telephone Attendance (Interoffice) re Application to Determine Members of Claims Process	300.00	0.50	150.00
20/05/20	MJR	Reviewing application matters; revising Notice of Application and Order for Advice and Directions of the Court; telephone attendance on G. Metivier; attending to court scheduling matters and application matters; telephone attendance on C. Frith; revising Affidavit of N.	500.00	6.50	3,250.00

DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
21/05/20	NPC	Halvorson Revise Notice of Application and Affidavit of Natasha Halvorson	300.00	1.50	450.00
21/05/20	NPC	Research re Purpose of Liquidation & Dissolution Proceedings and various related points of law, draft Brief of Law	300.00	3.00	900.00
21/05/20	NPC	Reviewing Merchant Application	300.00	0.20	60.00
22/05/20	NPC	Attendance on File re Assembly of Compendium of Filed Evidence	300.00	1.00	300.00
22/05/20	MJR	Finalizing application materials; giving instructions to filing and service matters; telephone attendance on A. Quayle; telephone attendance on V. Thomson; multiple correspondence with KPMG Inc.	500.00	4.50	2,250.00
27/05/20	NPC	Revise letter to Great American Insurance re Continued Coverage of PrimeWest	300.00	0.30	90.00
27/05/20	NPC	Draft Brief of Law	300.00	1.70	510.00
27/05/20	MMT	E-Mail from Greg Irvine re Azimi Offer	500.00	0.10	50.00
27/05/20	MMT	E-Mail to Liquidator for instructions on Azimi Offer	500.00	0.10	50.00
27/05/20	MMT	E-Mail to Greg Irvine	500.00	0.10	50.00
27/05/20	MJR	Correspondence from/to V. Thomson; correspondence to P. Harnett; reviewing letters to insurer regarding Burwash, Granite and Zealand claims; multiple correspondence between the Local Registrar, Court of Queen's Bench, A. Quayle, Q.C., T. Merchant, Q.C., and D. Hanna regarding setting down the Liquidator's application regarding the Merchant Application.	500.00	1.30	650.00
28/05/20	NPC	Draft Brief of Law	300.00	4.50	1,350.00
29/05/20	NPC	Draft Brief of Law	300.00	6.00	1,800.00
29/05/20	MJR	Telephone attendance on G. Metivier; reviewing and attending to court scheduling matters	500.00	0.30	150.00
01/06/20	MJR	Reviewing matters regarding the Merchant Application	500.00	0.70	350.00
02/06/20	NPC	Draft Brief of Law	300.00	4.80	1,440.00
02/06/20	MJR	Attending to court scheduling matters	500.00	0.20	100.00
03/06/20	NPC	E-Mail to Michael Powell at Great	300.00	0.20	60.00



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
04/06/20	NPC	American Life Insurance re Continuing Coverage of PrimeWest E-Mail to Michael Powell, Amy Flores, and Eric Schupp re Great American Insurance Policy for PrimeWest	300.00	0.30	90.00
05/06/20	NPC	Draft Brief of Law	300.00	0.20	60.00
05/06/20	NPC	E-Mail to Robert Kennedy (former counsel for PrimeWest) Requesting Contact Information from Great American	300.00	0.20	60.00
05/06/20	NPC	E-Mail to Paul Dawson re Request for Contact Information for Great American	300.00	0.20	60.00
05/06/20	NPC	E-Mail to Cristina Pimienta (KPMG LLP) re Update on Settlement Status of Claims	300.00	0.20	60.00
05/06/20	MMT	E-Mail from Cristina Pimienta	500.00	0.10	50.00
05/06/20	MMT	Telephone Attendance Randy Sandbeck	500.00	0.10	50.00
05/06/20	MMT	E-Mail to Cristina Pimienta	500.00	0.10	50.00
05/06/20	MJR	Reviewing and revising Brief of Law; correspondence from/to C. Pimienta	500.00	0.80	400.00
05/06/20	MJR	Drafting and revising Brief of Law; correspondence to A. Quayle, Q.C., and D. Hanna regarding service list matters; giving instructions to service and filing matters; correspondence to KPMG; reviewing caselaw pertaining to potential Supplementary Brief of Law	500.00	7.70	3,850.00
07/06/20	MMT	Attendance on File Review Brief of Law	500.00	1.00	500.00
08/06/20	NPC	Document Preparation re Compiling Authorities for Brief of Law and Ensuring Appropriate Filing and Service of Materials	300.00	1.70	510.00
08/06/20	NPC	E-Mail to Paul Dawson (Counsel for Great American) re Follow-Up on Great American	300.00	0.20	60.00
08/06/20	NPC	Telephone Attendance (Interoffice) re Addressing Brief of Law filed on behalf of Class Action Claimants	300.00	0.90	270.00
08/06/20	MJR	Reviewing and considering Application Materials of T.	500.00	3.50	1,750.00



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
		Merchant; preparing reply submissions to submissions of T. Merchant			
09/06/20	NPC	Draft Oral Argument on Merchant Application	300.00	5.00	1,500.00
09/06/20	MJR	Telephone attendance on S. Spencer; preparing submissions for Merchant Application; multiple correspondence from/to KPMG; reviewing caselaw and preparing submissions regarding attacks on integrity of the Liquidator; general court preparation	500.00	6.00	3,000.00
10/06/20	NPC	Court Appearance re Merchant Application	300.00	4.50	1,350.00
10/06/20	MJR	Preparing for court; Chambers (Gabrielson J.)	500.00	4.70	2,350.00
11/06/20	MJR	Telephone attendance on C. Pimienta; drafting and finalizing letters to D. Brundige regarding claims	500.00	1.10	550.00
16/06/20	MJR	Reviewing matters regarding Burwash and Granite claims	500.00	0.60	300.00
19/06/20	MMT	Email Exchange Marlene Kaminsky regarding Denise King	500.00	0.40	200.00
19/06/20	MMT	Telephone Attendance Randy Semenchuk re Denise King	500.00	0.20	100.00
19/06/20	MJR	Reviewing correspondence from V. Thompson; reviewing correspondence from P. Harnett; telephone attendance on N. Honess	500.00	0.50	250.00
24/06/20	MJR	Telephone attendance on C. Pimienta; multiple correspondence with N. Honess; correspondence from P. Harnett	500.00	0.50	250.00
02/07/20	NPC	E-Mail to Client re Update on Outstanding Litigation	300.00	0.20	60.00
03/07/20	MJR	Telephone attendance on V. Thomson regarding Anindo claim; reviewing correspondence from V. Thomson	500.00	0.40	200.00
07/07/20	MJR	Reviewing and considering issues regarding Fiat of Gabrielson J.; reporting to KPMG; drafting reporting email	500.00	1.80	900.00
08/07/20	MJR	Multiple correspondence with P. HArnett; revising update to	500.00	0.50	250.00



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
14/07/20	MJR	inspectors; correspondence from D. Brundige Finalizing update to Inspectors; multiple correspondence from/to KPMG	500.00	1.10	550.00
OUR FEE			\$69,180.00		
Plus 5.00% GST			3,459.00		
Plus 6.00% PST			<u>4,150.80</u>		
TOTAL FEES PLUS TAX(ES)					\$76,789.80
 NON-TAXABLE DISBURSEMENTS					
31/03/20		Miscellaneous Costs Re: Payment of Invoice 3435465 Cheque No. 92756 issued to Miller Thomson LLP	9,078.18		
11/06/20		Court Costs - Queen's Bench - Saskatoon Re: Court Costs Cheque No. 93099 issued to Court of Queen's Bench	15.00		
TOTAL NON-TAXABLE DISBURSEMENTS					9,093.18
 TAXABLE DISBURSEMENTS					
21/05/20		Agency Re: Agency Work Cheque No. 92990 For Ref 3445012 issued to Miller Thomson LLP	1,057.35		
10/06/20		Miscellaneous Costs - GST and PST	186.73		
31/03/20		P.P.R. Searches (1)	9.00		
		Long Distance	37.40		
		Photocopying	<u>50.00</u>		
TOTAL TAXABLE DISBURSEMENTS					1,340.48
Plus 5.00% GST on Taxable Disbursements					67.03
Plus 6.00% PST on Taxable Disbursements					<u>11.20</u>
TOTAL INVOICE AMOUNT					\$87,301.69
Balance Forward from Previous Invoice(s) plus Interest					<u>0.00</u>
TOTAL AMOUNT NOW DUE					<u><u>\$87,301.69</u></u>

THE W LAW GROUP LLP



Michael James Russell

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED

PAYMENTS MAY BE MADE BY VISA, MASTER CARD, INTERAC, ETRANSFER OR CHEQUE MADE PAYABLE TO THE W LAW GROUP LLP
OUR GST REGISTRATION NUMBER IS 121614010RT0001



Suite 300
110 - 21st Street East, Saskatoon, SK S7K 0B6
t.306.244.2242
f.306.652.0332
e.info@wlawgroup.com
w.www.wlawgroup.com

SUMMARY
PLEASE REMIT WITH PAYMENT

21/09/20

KPMG Inc.
#3100 - 205 - 5th Avenue SW
Calgary, AB
Canada T2P 4B9

Invoice No.: 128800

Re: PrimeWest Mortgage Investment Corporation
Our File: 43743. 1- MJR

For professional services rendered up to and including 21/09/20:

Fees	\$39,815.00
Discount on Fees	(\$3,885.00)
Non-taxable Disbursements	25.00
Taxable Disbursements	232.90
GST on Fees and Taxable Disbursements	1,808.15
PST on Fees and Taxable Disbursements	2,155.80
Total Invoice Amount	<u>\$40,151.85</u>
Balance Forward from Previous Invoice(s) plus Interest	<u>0.00</u>
TOTAL AMOUNT NOW DUE	<u><u>\$40,151.85</u></u>

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED

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OUR GST REGISTRATION NUMBER IS 121614010RT0001

DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
16/07/20	MJR	Telephone attendance on C. Pimienta; reviewing matters regarding Computershare	500.00	0.30	150.00
20/07/20	NPC	Telephone Attendance on Michael Russell and Christina Pimienta re Merchant's Pending Leave to Appeal Application	300.00	0.20	60.00
20/07/20	NPC	Draft Ltr to Tony Merchant re Leave to Appeal Timelines	300.00	0.20	60.00
20/07/20	MJR	Reviewing appeal matters; telephone attendance on C. Pimienta; reviewing and giving instructions to external counsel in accordance with Inspector approvals	500.00	0.70	350.00
21/07/20	MJR	Telephone attendance on P. Harnett; reviewing Ostrander litigation matters	500.00	0.40	200.00
23/07/20	NPC	Research re Section 242 of the BCA and Motion for Leave to Appeal	300.00	3.70	1,110.00
23/07/20	KH	Review re: Notice of Motion for Leave to Appeal, Notice of Appeal; review issues, re: leave to appeal	325.00	1.20	390.00
24/07/20	MMT	Email Exchange Marlene Kaminsky, Realtor and Randy Sandbeck re Holt	500.00	0.20	100.00
26/07/20	NPC	Draft Brief of Law re Motion for Leave to Appeal	300.00	3.60	1,080.00
27/07/20	NPC	Draft Brief of Law re Motion for Leave to Appeal	300.00	2.00	600.00
27/07/20	MJR	Reviewing appeal matters; reviewing letter from Court of Appeal	500.00	0.30	150.00
28/07/20	NPC	E-Mail to Neil Honess re Class Action Appeal	300.00	0.20	60.00
28/07/20	NPC	Draft Brief of Law re Motion for Leave to Appeal	300.00	1.80	540.00
28/07/20	MMT	Email Exchange Marlene Kaminsky and Lindsay Oliver re Nero	500.00	0.10	50.00
28/07/20	MJR	Reviewing appeal matters; multiple correspondence with N. Honess	500.00	0.30	150.00
29/07/20	NPC	Draft Brief of Law re Motion for Leave to Appeal	300.00	4.10	1,230.00
29/07/20	MJR	Telephone attendance on D. Brundige	500.00	0.20	100.00
30/07/20	NPC	Draft Brief of Law re Motion for Leave to Appeal	300.00	3.70	1,110.00



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
31/07/20	NPC	Draft Brief of Law re Motion for Leave to Appeal	300.00	3.60	1,080.00
31/07/20	NPC	Draft Brief of Law re Motion for Leave to Appeal	300.00	3.00	900.00
31/07/20	MMT	Email Exchange Marlene Kaminsky and Randy Sandbeck re Hydeman	500.00	0.20	100.00
31/07/20	MMT	Email Exchange Marlene Kaminsky and Nicole Hamm re Gawel	500.00	0.10	50.00
04/08/20	NPC	Draft Brief of Law re Motion for Leave to Appeal	300.00	5.20	1,560.00
05/08/20	NPC	Draft Brief of Law re Motion for Leave to Appeal	300.00	3.80	1,140.00
05/08/20	NPC	Voice Mail to Melanie Baldwin (Registrar for the Court of Appeal) re Request for Update on Status of Appeal	300.00	0.20	60.00
06/08/20	MJR	Reviewing appeal matters and correspondence from T. Merchant	500.00	0.50	250.00
07/08/20	NPC	E-Mail to Melanie Baldwin (Court of Appeal Registrar) re Request for Timelines on Confirming Appeal	300.00	0.20	60.00
07/08/20	NPC	E-Mail to Melanie Baldwin (Court of Appeal Registrar) re Confirmation of Status of Appeal	300.00	0.20	60.00
07/08/20	NPC	Voice Mail to Melanie Baldwin (Court of Appeal Registrar) re Request for Clarification on Status of Appeal	300.00	0.10	30.00
07/08/20	NPC	E-Mail to Neil Honess re Update on Class Action Appeal	300.00	0.30	90.00
07/08/20	SL	Research re: court of appeal motion to contest appeal without leave	175.00	0.80	140.00
07/08/20	MJR	Reviewing appeal matters; giving instructions to appeal matters	500.00	0.30	150.00
09/08/20	MMT	Attendance on File - Review Interest Register No. search re Judgment registration on real property against Hydeman Properties and Wayne Hydeman and pull and review titles	500.00	1.00	500.00
10/08/20	NPC	Research re Mootness of Appeal	300.00	5.90	1,770.00
10/08/20	MMT	Telephone Attendance Nicole Hamm re Gawell	500.00	0.20	100.00
10/08/20	MMT	Telephone Attendance Randy Sandbeck	500.00	0.30	150.00
10/08/20	JM	Receive Instructions regarding research on motion for leave to	175.00	0.10	17.50

DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
10/08/20	JM	appeal issue Research motions challenging leave to appeal as nullity, fresh evidence applications, scope of powers of chambers judge	175.00	3.30	577.50
10/08/20	MJR	Reviewing Merchant appeal matters; correspondence from/to V. Thomson; correspondence from D. Brundige; correspondence from T. Merchant, Q.C., multiple correspondence from Court of Appeal; correspondence from A. Quayle, Q.C.; telephone attendance on D. Brundige	500.00	0.80	400.00
11/08/20	NPC	Revise Brief of Law re Motion for Leave to Appeal	300.00	2.90	870.00
11/08/20	NPC	Telephone Attendance on Neil Honess and Mike Russell re Merchant Appeal and Ltr of 2020/08/11	300.00	0.50	150.00
11/08/20	NPC	Draft Response Ltr to Merchant	300.00	0.50	150.00
11/08/20	MJR	Reviewing correspondence from T. Merchant, Q.C.; reviewing appeal matters; telephone attendance on N. Honess and N. Conlon	500.00	1.20	600.00
12/08/20	NPC	E-Mail to Neil Honess re Proposed Response to Merchant's 20/08/11 Ltr for Review and Approval	300.00	0.20	60.00
12/08/20	NPC	Voice Mail to Scott Spencer re Request for Update for Merchant's Application for Leave to Appeal	300.00	0.10	30.00
12/08/20	NPC	Telephone Attendance Scott Spencer re Update for Merchant's Application for Leave to Appeal	300.00	0.20	60.00
17/08/20	NPC	Revise Brief of Law re Motion to Admit New Evidence	300.00	2.00	600.00
17/08/20	NPC	E-Mail (Interoffice) to Mike Russell re Setting a Date for Merchant's Appeal	300.00	0.20	60.00
18/08/20	NPC	E-Mail to Court of Appeal Registrar re Follow-up on Hearing Date for Leave Application	300.00	0.20	60.00
18/08/20	NPC	Telephone Attendance on Court of Appeal Registrar re Confirmation of Timelines for Mr. Merchant to File Materials	300.00	0.20	60.00
18/08/20	MMT	E-Mail from Marlene Kaminsky re	500.00	0.10	50.00

DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
		Antonenko and Bahr			
18/08/20	MMT	Telephone Attendance Greg Irvine re Azimi	500.00	0.10	50.00
18/08/20	MMT	Telephone Attendance Randy Sandbeck re condo sales	500.00	0.10	50.00
19/08/20	NPC	E-Mail to Dave Brundige (Counsel for Burwash and Granite) re Update on Potential Settlement	300.00	0.20	60.00
19/08/20	NPC	E-Mail Exchange with Dave Brundige re Potential Settlement of Claims and Current Stay of Litigation	300.00	1.00	300.00
19/08/20	NPC	E-Mail to Paul Dawson re Follow-up on 20/08/10 Email	300.00	0.20	60.00
19/08/20	MJR	Reviewing and giving instructions to appeal matters (Merchant appeal); reviewing matters regarding Brundige claims	500.00	0.90	450.00
20/08/20	NPC	E-Mail to Mitchell Fournie (Counsel for Co-Defendant) re Update on Settlement Discussions for Burwash Action	300.00	0.20	60.00
20/08/20	NPC	Review File re Ltr to Dave Brundige	300.00	0.20	60.00
20/08/20	NPC	Draft Ltr to Anthony Merchant re KPMG Proof of Claim Response	300.00	0.20	60.00
20/08/20	NPC	E-Mail to Neil Honess re Update on Merchant Appeal	300.00	0.20	60.00
20/08/20	NPC	Receive and review Brief of Law re Merchant Appeal	300.00	1.20	360.00
20/08/20	MJR	Multiple correspondence regarding Merchant appeal; giving instructions to appeal matters; correspondence to KPMG	500.00	0.80	400.00
21/08/20	NPC	Receive and review Merchant's Appeal Materials	300.00	3.00	900.00
21/08/20	NPC	Receive and review Supplemental Liquidator's Report	300.00	0.30	90.00
21/08/20	NPC	E-Mail to Neil Honess re Supplemental Liquidator's Report	300.00	0.20	60.00
21/08/20	NPC	Revise Supplemental Liquidator's Report	300.00	0.30	90.00
21/08/20	MJR	Telephone attendance on N. Honess; reviewing matters and giving instructions in relation to Merchant Appeal	500.00	0.40	200.00
23/08/20	NPC	Draft Oral argument for Court of	300.00	1.00	300.00

DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
24/08/20	NPC	Appeal Court Preparation re Court of Appeal Document Preparation and Filing	300.00	2.60	780.00
24/08/20	NPC	Court Preparation re Oral Argument	300.00	2.30	690.00
24/08/20	MJR	Reviewing appeal matters; giving instructions to appeal matters	500.00	0.40	200.00
25/08/20	NPC	Court Preparation re Oral Argument	300.00	5.50	1,650.00
25/08/20	NPC	Court Preparation re Response to Merchant Ltr to Court of Appeal	300.00	0.90	270.00
25/08/20	MJR	Correspondence to C. Pimienta; telephone attendance on C. Pimienta; reviewing appeal and Claims Process matters	500.00	0.40	200.00
26/08/20	NPC	Court Preparation re Application for Leave	300.00	3.00	900.00
26/08/20	NPC	Court Appearance re Application for Leave	300.00	1.00	300.00
26/08/20	NPC	E-Mail to Neil Honess re Update on Court of Appeal Appearance	300.00	0.20	60.00
26/08/20	NPC	Research re Application to Quash Appeal	300.00	0.60	180.00
26/08/20	JM	Attendance on File: Interoffice discussion regarding application to quash appeal	175.00	0.20	35.00
26/08/20	MJR	Preparing for Chambers; appearance in Chambers (Barrington-Foote J.A.); reviewing post-hearing matters and giving instructions to reporting matters; telephone attendance on D. Brundige	500.00	2.30	1,150.00
28/08/20	JM	Research motions to quash, review case history to date	175.00	2.00	350.00
31/08/20	MMT	Email Exchange Marlene Kaminsky and Randy Sandbeck re Denise King	500.00	0.10	50.00
31/08/20	JM	Research granting leave to appeal nunc pro tunc, application of leave criteria	175.00	5.00	875.00
31/08/20	JM	E-Mail to Court of Appeal Registrar	175.00	0.10	17.50
31/08/20	JM	E-Mail from Lori Vollman of the Court of Appeal Registrar's Office	175.00	0.10	17.50
31/08/20	JM	Draft notice of motion	175.00	1.00	175.00
31/08/20	MJR	Correspondence from/to N. Honess	500.00	0.20	100.00
01/09/20	JM	Revise brief of law	175.00	1.70	297.50
02/09/20	MMT	E-Mail from and to Cristina Pimenta re Holt	500.00	0.20	100.00



DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
02/09/20	MMT	E-Mail from and to Marlene Kaminsky re Azimi	500.00	0.20	100.00
02/09/20	MMT	Voice Mail to Randy Sandbeck	500.00	0.10	50.00
02/09/20	JM	Revise brief of law	175.00	4.60	805.00
04/09/20	NPC	E-Mail to Neil Honess re Update on Merchant Appeal and Application to Quash	300.00	0.20	60.00
04/09/20	JM	Revise draft motion materials	175.00	5.80	1,015.00
07/09/20	NPC	Draft Application to Quash re Merchant Appeal	300.00	1.30	390.00
08/09/20	NPC	Draft Application to Quash	300.00	1.20	360.00
08/09/20	JM	Draft order, revise brief of law and authorities list	175.00	3.30	577.50
09/09/20	NPC	E-Mail (Interoffice) to Mike Russell re Motion to Quash for Review	300.00	0.10	30.00
10/09/20	MJR	Reviewing and revising Notice of Application and Brief of Law to be filed in relation to quashing Merchant appeal; correspondence from/to KPMG	500.00	2.10	1,050.00
11/09/20	NPC	Attendance on File re Motion to Quash Final Review and Filing with Court of Appeal	300.00	0.20	60.00
11/09/20	JM	Attendance on File: oversee preparation and filing of motion materials	175.00	0.80	140.00
11/09/20	MJR	Telephone attendance on V. Thomson; reviewing Merchant application matters	500.00	0.80	400.00
14/09/20	MMT	Telephone Attendance Randy Sandbeck re Holt	500.00	0.20	100.00
14/09/20	JM	Attendance on File: interoffice discussion regarding establishing return date of application	175.00	0.20	35.00
14/09/20	MJR	Reviewing and giving instructions to Appeal matters; correspondence from/to Court of Appeal Registrar; drafting update to and request for instructions from Inspectors	500.00	0.40	200.00
18/09/20	MMT	E-Mail from and to Cristina re Antonenko & Bahr	500.00	0.40	200.00
18/09/20	MMT	Attendance on File - contributions to Update to Inspectors regarding the mortgage enforcement proceedings	500.00	1.40	700.00
18/09/20	MMT	E-Mail to Neil Honess	500.00	0.10	50.00
18/09/20	MJR	Reviewing settlement matters;	500.00	2.10	1,050.00

DATE	LAWYER	DESCRIPTION	RATE/HOUR	TIME	VALUE
19/09/20	NPC	multiple correspondence with KPMG; drafting and revising updates to Inspectors E-Mail to Neil Honess re Update on Merchant Appeal	300.00	0.20	60.00
20/09/20	MMT	Attendance on File - providing responses and expanded wording in accordance with Neil Honess's comments on the Update to Inspectors	500.00	0.80	400.00
21/09/20	MMT	E-Mail from and to Neil Honess re final items on the update to the Inspectors	500.00	0.30	150.00
21/09/20	MMT	E-Mail from and to Marlene Kaminsky re Antonenko/ Bahr	500.00	0.10	50.00
21/09/20	MJR	Multiple correspondence regarding update to Inspectors; revising update to Inspectors; reviewing matters regarding Granite action	500.00	0.70	350.00
OUR FEE					\$39,815.00
Discount on Fees			(\$3,885.00)		
Plus 5.00% GST			1,796.50		
Plus 6.00% PST			<u>2,155.80</u>		
TOTAL FEES PLUS TAX(ES)					\$39,882.30
NON-TAXABLE DISBURSEMENTS					
21/09/20		Court Costs - Court of Appeal for Saskatchewan		<u>25.00</u>	
TOTAL NON-TAXABLE DISBURSEMENTS					25.00
TAXABLE DISBURSEMENTS					
21/09/20		Corporations Branch - Search		10.00	
21/09/20		Land Registry Costs - Long Distance		120.00 2.90	
		Photocopying		<u>100.00</u>	
TOTAL TAXABLE DISBURSEMENTS					232.90

Plus 5.00% GST on Taxable Disbursements	11.65
TOTAL INVOICE AMOUNT	\$40,151.85
Balance Forward from Previous Invoice(s) plus Interest	0.00
TOTAL AMOUNT NOW DUE	<u><u>\$40,151.85</u></u>

THE W LAW GROUP LLP



Michael James Russell

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INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED

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