

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF CERTAIN PROCEEDINGS  
TAKEN IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF MASSACHUSETTS EASTERN DIVISION  
WITH RESPECT TO THE COMPANIES LISTED ON  
SCHEDULE "A" HERETO (THE "ELEPHANT & CASTLE GROUP" OR THE "CHAPTER 11  
DEBTORS")

APPLICATION OF  
MASSACHUSETTS ELEPHANT & CASTLE GROUP, INC.

UNDER SECTION 46 OF THE  
COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED

SUPPLEMENTARY REPORT TO THE THIRD REPORT OF THE INFORMATION OFFICER

May 16, 2012

## Table of Contents

BACKGROUND .....	2
PURPOSE .....	4

## Appendices

- A Pearl Affidavit
- B Rosekat Affidavit

## BACKGROUND

1. This report is a supplement to the Third Report of the Information Officer dated May 2, 2012 (the “Third Report”) (the “Supplementary Report”).
2. As noted in the Third Report, the Chapter 11 proceedings in the United States in respect of all of the debtors on Schedule “A” have been converted into Chapter 7 proceedings.
3. The chronology of these events is as follows:
  - (a) On June 28, 2011, E&C filed voluntary petitions pursuant to Chapter 11 of the US Bankruptcy Code in the United States Bankruptcy Court (the “US Court”) for the District of Massachusetts Eastern Division (the “Chapter 11 Proceedings”).
  - (b) On June 29, 2011, Massachusetts Elephant & Castle Group Inc. as the foreign representative of the Chapter 11 Debtors (the “Foreign Representative”), commenced proceedings in Canada (the “CCAA Recognition Proceedings”).
  - (c) On June 29, 2011, as part of the Recognition Proceedings, the Foreign Representative applied for and received an Order under Part IV of the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36 (the “CCAA”), granting certain limited interim relief including an interim stay of proceedings.
  - (d) On July 4, 2011, this Court issued an Order, (the “Supplemental Order”) in which the Foreign Representative was granted:

- (i) recognition as the Foreign Representative;
  - (ii) a declaration that the Chapter 11 Proceedings were “foreign main proceedings” for purposes of the CCAA;
  - (iii) a stay of any claims, rights, liens, proceedings against or in respect of the Chapter 11 Debtors, the directors and officers of the Chapter 11 Debtors and the property of the Chapter 11 Debtors.
  - (iv) recognition in Canada and enforcement of certain orders of the US Court made in the Chapter 11 Proceedings on June 30, 2011; and
  - (v) appointment of BDO Canada Limited as the Information Officer.
4. Following a stalking horse sales process and respective orders from the US Court, a buyer was found for the E&C assets with the exception of the assets of Repechage Investments Limited (“Repechage”).
5. The US Sale Approval Order directed that all proceeds from the Sale Assets be paid to the senior secured creditor, GE Canada, except for the Transaction Fees, fees and expenses owing to Bellmark, certain fees owing to the Debtor’s Professionals, the Committee’s Professionals, the US Trustee and Clerk of the US Court and the following carve out amounts (the “Carve Out Amounts”) to be paid into a segregated escrow account (the “Escrow Account”):
- (a) approximately US\$3 million to fund pre and post petition sales taxes, Cure Amounts and the Gift Card liability;

- (b) approximately US\$1.7 million minus cash on hand to fund the Priority Claim Carve Out;
  - (c) an amount equal to the lesser of US\$500,000 and 10% of the aggregated unsecured claims non-priority unsecured claims against the Chapter 11 Debtors, which is to be distributed on a pro-rata basis; and
  - (d) fees of US\$30,000 to a party to be selected to administer the unsecured claims made against the Chapter 11 Debtors.
- 6. The expectation was that a plan of reorganization under Chapter 11 would be put forward to deal with these items and the assets and business, if any, of Repechage.
- 7. This expectation of a plan of reorganization did not occur. Due to a complete breakdown in the relationship between E&C (Mr. David Dobbin being the only Board member directing E&C) and its counsel on both sides of the border, motions were brought to:
  - (a) convert the Chapter 11 Proceedings to Chapter 7 of the US Bankruptcy Code; and
  - (b) grant the withdrawal of the Chapter 11 Debtors' US and Canadian legal counsel.
- 8. On the afternoon of May 2, 2012, the US Court granted these orders;
- 9. A similar motion was requested and granted by Mr. Justice Morawetz on May 8, 2012 in respect of Canadian counsel for E&C.

## PURPOSE

- 10. The purpose of this Supplementary Report is to:
  - (a) provide an update since the Third Report of:

- (i) the status of the Chapter 7 proceedings;
  - (ii) the remaining assets of the Chapter 11 Debtors; and
  - (iii) the treatment of Canadian creditors of the Chapter 11 Debtors.
- (b) to request an order of this Honourable Court to:
  - (i) terminate the CCAA Recognition Proceedings;
  - (ii) approve the First, the Second, the Third, and the Supplementary Report of the Information Officer and the activities of the Information Officer described therein;
  - (iii) approve the fees and disbursements of the Information Officer and its legal counsel; and
  - (iv) discharge the Information Officer.

11. In preparing this Supplementary Report, BDO has relied solely on information and documents provided by the Foreign Representative, the Chapter 11 Debtors, their affiliates and their counsel and information now obtained from the US Trustee in the Chapter 7 proceedings. BDO has not audited, reviewed or otherwise attempted to independently verify the accuracy or completeness of this information. Accordingly, BDO expresses no opinion or other form of assurance on the information contained herein.

12. Capitalized terms not defined in this Supplementary Report are as defined in the First Report, Second Report or Third Report.

#### **CANADIAN DEBTORS, REMAINING ASSETS AND STATUS OF CREDITORS**

13. The Canadian debtors, remaining assets and status of the creditors of the Chapter 11 Debtors are summarized as follows:

- (a) Canadian Debtors - the Chapter 11 Debtors include three Canadian companies as follows:

- (i) Repechage Investments Limited - incorporated on March 29, 2007 pursuant to the *Canada Business Corporations Act* (the "CBCA"). Its registered head office is located in Toronto, Ontario and it is the ultimate parent of the Chapter 11 Debtors.
- (ii) Elephant & Castle Group Inc. - incorporated on December 29, 2008 pursuant to the CBCA. Its registered head office is located in Hammond Plains, Nova Scotia, it is a subsidiary of Repechage, and holds the shares of the E&C operating companies;
- (iii) Elephant and Castle Canada Inc. - formed from an amalgamation pursuant to the *Ontario Business Corporations Act* on May 1, 1990. Its registered head office is located in Toronto, Ontario, and it is the owner and operator of the Canadian E&C restaurants.

As previously determined, the "Centre of Main Interest" for each of these three companies is however the United States as all operations are integrated and run out of Boston, Mass.

- (b) GE Canada - the main secured creditor of E&C and Repechage is GE Canada. At the date of filing, the Chapter 11 Debtors owed GE Canada approximately US\$22 million, which includes a guarantee of approximately US\$3 million owed to GE Canada by a company related to the Chapter 11 Debtors. GE Canada holds a general security agreement on the assets of the former Chapter 11 Debtors, which is duly registered against the former Chapter 11 Debtors on both sides of the border. The Information Officer has been advised by counsel to GE Canada that GE Canada received net proceeds from the Sale Assets of approximately US\$17 million, and continues to have a shortfall in their debt of approximately US\$7.5 million including accrued interest and costs.
- (c) GE Capital would be entitled to be paid the full amount of its claim from the remaining assets of the Chapter 11 Debtors. In this case, there would be nothing remaining for any lower ranked creditors including unsecured

creditors. Legal counsel to GE Canada has advised the Information Officer that GE Canada will not be pursuing the Carve Out Amounts held in the Escrow Account. Those amounts will remain for the benefit of the other creditors in the bankruptcy of the former C.11 Debtors.

- (d) The Information Officer has some unverified information that the assets of Repechage may include some cash, real estate, and shares of other restaurant brands it has operated in North America including businesses operating as Picadilly Pubs and Victory Pubs. The Information Officer understands that these operations are currently insolvent and/or inactive, and legal counsel to GE Capital has advised the Information Officer that the current estimated realizable value of Repechage's assets is significantly lower than the shortfall owing to GE Capital.
  - (e) Fifth Street Finance Corporation is a subordinate secured creditor of Repechage and is owed approximately US\$4 million.
  - (f) At the date of filing, the unsecured creditors in Canada and the US were owed in the range of US\$5 million. The Chapter 7 Trustee advises that there are additional unpaid post filing obligations owing to both trade creditors and professional advisors of the Chapter 11 Debtors.
14. Pursuant to the Chapter 11 US Bankruptcy Court orders, the Sale Proceeds were paid over to GE Canada with certain amounts paid to the Escrow Agent, Verdolino & Lowey, P.C. pending further orders of the court. The following is a summary of the money in US Dollars currently being held by that Escrow Agent.
- (a) \$452,340 - Professional Fee Escrow (held by an affiliate of the Escrow Agent).
  - (b) 234,972 - Held in the Escrow Agent's account (funds that were previously held at the Royal Bank of Canada together with misc. receipts received during the Escrow Agent's involvement).



(c) The Total held by the Escrow Agent is **\$687,312**

(d) In addition to the funds the Escrow Agent is holding, there are other accounts over which the Escrow Agent has limited or no control over. Their names and gross amounts are as follows:

(i) \$161,000 - 20 Debtor-In-Possession accounts at various banks

(ii) \$1,007,650 - Held in an escrow account at Sovereign Bank in the name of Elephant & Castle and on which one of the Escrow Agent's principals is a signing officer, for the payment of various priority claims

(iii) \$1,659,703 - Tax claim and Landlord Cure escrow (held by Eckert Seamans, former counsel to E&C)

(iv) \$530,000 - Unsecured Creditor Carve-Out (held by the firm of Goulston & Storrs, counsel to the Unsecured Creditors Committee)

(e) The Total of these amounts is **\$3,358,353**

15. The US Trustee is fully aware of these monies and their locations.

#### **CURRENT STATUS OF THE FOREIGN REPRESENTATIVE**

16. Massachusetts Elephant & Castle Group, Inc. was the "foreign representative" of the Chapter 11 Debtors. The necessity to retain a "foreign representative" therefore is questionable given the Chapter 7 bankruptcy proceedings in the United States. In fact, Harold Murphy of Murphy & King, P.C. (the "Chapter 7 Trustee") advised the Information Officer that he did not believe it would be necessary for this Honourable Court to issue an order to recognize the Chapter 7 Trustee as the "foreign representative" at this time nor was it his plan to seek

that recognition.

17. The Information Officer has had discussions with Mr. Murphy, the Chapter 7 Trustee, who advises:
  - (a) there are limited funds with which to do anything;
  - (b) it will be necessary to conduct a new claims process for the identification of all creditors in the US and elsewhere including Canada and their respective claims. A claims process will be commenced with a claims bar date of October 10, 2012, which is 90 days past the date of the first meeting of creditors (in the US) scheduled to be held on July 10, 2012. The Chapter 7 Trustee advises that while the Chapter 11 claims process will have to be repeated, any creditors who have already filed claims will not have to file new claims and their claims previously filed will be considered claims in the C. 7 proceedings. The Chapter 7 Trustee will have access to the claims register maintained by Epiq, the Claims Notice Agent for the Chapter 11 Debtors.
  - (c) the funds held in the Escrow Account with the Escrow Agent will be distributed to proven unsecured creditors, including the Canadian unsecured creditors.
  - (d) It is unlikely that the Chapter 7 Trustee will be dealing with the assets of Repechage, which are subject to the secured claims of GE Capital.

## **PROFESSIONAL FEES**

18. Pursuant to paragraph 9 of the Supplemental Order, the Information Officer and its counsel are to be paid their reasonable professional fees and disbursements by the Foreign Representative as part of the cost of the CCAA Recognition Proceedings, subject to the passing of accounts by this Honourable Court. As security for payment of its fees and disbursements, the Information Officer and its legal counsel were granted a first ranking charge on the Property and

received retainers totaling CDN\$75,000 from the Foreign Representative. The Information Officer continues to hold a remaining retainer on hand of approximately CDN\$30,000, which is available to pay the remaining unpaid fees of the Information Officer and its legal counsel to completion of the CCAA Recognition Proceedings.

19. The total fees and disbursements of the Information Officer for the period ending May 11, 2012 amount to \$54,592.50 (excluding HST). In addition, the remaining professional fees and disbursements of the Information Officer to complete the administration are estimated to be no more than \$5,000 (excluding HST). Full particulars of the Information Officer's fees and disbursements are set out in the Affidavit of Ken Pearl sworn on May 15, 2012 (the "**Pearl Affidavit**"). The Pearl Affidavit also contains particulars of hours spent, hourly rates, total fees and disbursements of the Information Officer.
20. The total fees and disbursements incurred for services provided by counsel to the Information Officer, Gardiner Roberts LLP ("**Gardiner Roberts**"), for the period ending May 11, 2012 amount to \$20,371.15 (excluding HST). In addition, the remaining professional fees and disbursements of Gardiner Roberts to complete the administration are estimated to be no more than \$5,000(excluding HST). Full particulars of Gardiner Roberts's fees and disbursements are reported in the affidavit of Jeffrey Rosekat sworn May 16, 2012 (the "**Rosekat Affidavit**"). The Rosekat Affidavit also contains particulars of hours spent, hourly rates, total fees and disbursements of Gardiner Roberts.

## **SUMMARY AND CONCLUSION**

21. As reported in the Third Report, since the Chapter 11 Proceedings have been converted to Chapter 7, there will be no possibility of a plan of reorganization.
22. The remaining assets of the Chapter 11 Debtors consist mostly of shares held by Repechage (though there may be some real estate as yet unidentified), which

are subject to the claims of the GE Canada, which has incurred a significant shortfall.

23. Although there will be no plan of arrangement, GE Canada has indicated that it will not interfere with the distribution to unsecured creditors, including Canadian creditors, of the funds held in the Escrow Account.
24. The Chapter 7 Trustee will be carrying out a claims process, which will include the Canadian unsecured creditors.
25. The Chapter 7 Proceedings will deal with the claims of the unsecured creditors in Canada and their entitlement to the funds held in the Escrow Account in accordance with the normal provisions of US Bankruptcy law which recognizes the equitable distributions of assets among the respective classes of creditors no matter the location of those creditors.
26. In conclusion, there is no further need for the CCAA Recognition Proceedings and the Information Officer requests an order of this Honourable Court to:
  - (a) terminate the CCAA Recognition Proceedings subject to the Information Officer posting a notice on the Information Officer's website directing creditors to the Chapter 7 Trustee;
  - (b) approve the First, the Second, the Third, and the Supplementary Reports of the Information Officer and the activities of the Information Officer described therein;
  - (c) approve the fees and disbursements of the Information Officer and its legal counsel; and
  - (d) discharge the Information Officer.

All of which is respectfully submitted on this 16th day of May, 2012.

BDO CANADA LIMITED

In its capacity as Information Officer of the  
Elephant & Castle Group

Per:

A handwritten signature in black ink, appearing to read "Ken Pearl". The signature is written in a cursive, flowing style with a large loop at the end.

Ken Pearl  
Vice President

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

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**APPLICATION OF  
MASSACHUSETTS ELEPHANT & CASTLE GROUP, INC.**

**UNDER SECTION 46 OF THE  
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**AFFIDAVIT OF FEES  
of the Court Appointed Information Officer**

I, KEN PEARL, of the City of Vaughan, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am a Vice-President of BDO Canada Limited, the Court Appointed Information Officer of the Elephant & Castle Group and as such have knowledge of the administration herein.
2. Attached hereto as Exhibit "A" to this my affidavit is a true copy of the invoices and accounts of the Information Officer for the period from June 20, 2011 to May 11, 2012, setting out the time spent, and the applicable rates claimed and details of the work performed. The total inclusive of fees, disbursements and HST is **\$61,689.53**.

3. It is estimated that from May 11, 2012 to the completion of this matter, including final discharge, fees and disbursements will amount to approximately \$5,000.
4. The hourly billing rates set out in the account are the normal hourly rates charged by the Information Officer for services rendered in relation to similar proceedings. The average hourly charge-out rate is \$ 456.52.
5. I make this Affidavit in support of the Information Officer's motion for, inter alia, approval of its fees and disbursements and for no other or improper purpose.

**SWORN BEFORE ME** at the  
City of Toronto, in the Province  
of Ontario, on May 15, 2012



\_\_\_\_\_  
A Commissioner for Taking Oaths

)  
)   
) **KEN PEARL**

**Christopher John Porter, a Commissioner, etc.,**  
Province of Ontario, for **BDO Canada LLP**, Chartered  
Accountants and Consultants and **BDO Canada Limited**,  
Trustee in Bankruptcy, and their subsidiaries, associates  
and affiliates. Expires January 1, 2013.

This is Exhibit "A" to the Affidavit of Ken Pearl  
Sworn this 15<sup>th</sup> day of May, 2012

A handwritten signature in black ink, appearing to be "C. S. P. A." with a stylized flourish at the end.

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A Commissioner for taking affidavits



**BDO Canada Limited**  
 In its Capacity as  
 Information Officer of  
 Elephant & Castle Group  
 Summary of Fees and Disbursements  
 June 20, 2011 to May 11, 2012

Invoice Date	Invoice Nos.	Hours	Fees	Disbursements	Total	HST	Invoice Total
July 22, 2011	10393781	25.4	\$ 11,706.30	\$ -	\$ 11,706.30	\$ 1,521.82	\$ 13,228.12
January 2, 2012	86181123	49.6	22,452.50	30.16	22,482.66	2,922.75	25,405.41
February 15, 2012	87023551	23.1	10,576.50	8.04	10,584.54	1,375.99	11,960.53
May 15, 2012	87151780	21.4	9,819.00	-	9,819.00	1,276.47	11,095.47
<b>Total</b>		<b>119.5</b>	<b>\$ 54,554.30</b>	<b>\$ 38.20</b>	<b>\$ 54,592.50</b>	<b>\$ 7,097.03</b>	<b>\$ 61,689.53</b>

**Average Hourly Rate**

**\$ 456.52**



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123 Front Street W, Suite 1200  
Toronto ON M5J 2M2 Canada

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**INVOICE**

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Elephant & Castle Group Inc.  
50 Congress Street, Suite 900  
Boston, MA  
02109-4002

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<i>Date</i>	<i>Invoice No.</i>
15 May 2012	87151780

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**Re** *Elephant & Castle Group Inc.*

**TO PROFESSIONAL SERVICES RENDERED** in connection with our role as CCAA Information Officer for the period from 2 February 2012 to 11 May 2012 as per the details below:

Our Fee in All	\$ 9,819.00
HST on Receiver Fees 13% (#R101518124)	1,276.47
<b>Total Due:</b>	<b><u><u>\$ 11,095.47</u></u></b>

<b>Summary of Time Charges:</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
K. Pearl, Associate	21.0	465.00	9,765.00
Administrative Support	0.4		54.00
<b>Total</b>	<b>21.4</b>		<b><u><u>\$ 9,819.00</u></u></b>



Date	Professional	Description	Time
16-Feb-12	Pearl, Ken	Review and approve legal invoices from Gardiner Roberts; discussion with J. Nappi of Phoenix Management Services re timing of liquidation plan and how professional fees will be paid; review motion of Bellmark for payment of final fees.	0.7
17-Feb-12	Pearl, Ken	Respond to email from creditor of Rosies on Robson and confirm impact of late filing of proof of claim with Epiq and respond to creditor-Rtown.	0.7
1-Mar-12	Pearl, Ken	Discussion with J. Doke of OJAC and send "Transfer of Ownership" form to J. Loughnane to get E&C to sign for transfer of existing telephone and internet lines for the Toronto and the Ottawa locations; send signed form to J. Doke.	0.8
13-Mar-12	Pearl, Ken	Discussion with party interested in Piccadilly restaurant chain owned by Repechage and send inquiry to J. Loughnane to send on to company.	0.3
14-Mar-12	Pearl, Ken	Discussion with R. Mattocks re his interest in Picadilly.	0.2
23-Mar-12	Pearl, Ken	Discussion with Bell re refund cheque re internet account for 212 King St. location, and confirm with legal counsel where to send and send out.	0.4
30-Mar-12	Pearl, Ken	Review of Epiq Chapter 11 website; email exchange with K. Kraft re status of drafting of plan of distribution to unsecured creditors.	0.3
13-Apr-12	Pearl, Ken	Respond to inquiry re return to unsecured creditors; send request for update re plan of arrangement to K. Kraft.	0.3
19-Apr-12	Pearl, Ken	Discussion with K. Kraft and J. Wigley re status of draft plan of arrangement.	0.2
27-Apr-12	Pearl, Ken	Discussion with K. Kraft and J. Wigley re recent developments and review motion before US Court to be heard on May 2 and plan for report to Canadian Court.	0.9
30-Apr-12	Pearl, Ken	Review First and Second Reports of the Information Officer, Epiq website and Motions filed by Debtors, US Trustee and Debtors' Counsel to prepare draft report to the Court.	2.1



Date	Professional	Description	Time
1-May-12	Pearl, Ken	Work on draft of Information Officer's Third Report and send to J. Wigley for review.	2.4
2-May-12	Pearl, Ken	Discussion with J. Wigley and K. Kraft and review Epiq website for orders issued by US Court; make revisions to draft Third Report; discussion with J. Wigley and make further revisions, assemble appendices, and send final version to J. Wigley.	3.4
3-May-12	Pearl, Ken	Review motion record of Heenan Blaikie to withdraw as legal counsel to debtors and final motion record of BDO as Court appointed Information Officer to update the Court as to motions of legal counsel and US Trustee and review draft order.	1.3
7-May-12	Pearl, Ken	Discussion with A. Lizotte of Murphy & King, P.C., the Chapter 7 trustee and discussion with J. Wigley re information to advise J. Morawetz re Chapter 7 proceedings and distribution of amounts held in escrow; review draft order of Heenan Blaikie and revised draft order prepared by J. Wigley.	1.1
8-May-12	Pearl, Ken	Attend in Court for hearing of motion and Third Report of the Information Officer; discussion with J. Wigley and arrange for call with Chapter 7 Trustee to discuss plans to take control of funds held in escrow and make distribution to unsecured creditors; arrange to post Order and endorsements of J. Morawetz to E&C website.	2.1
9-May-12	Pearl, Ken	Conference call with J. Wigley, H. Murphy and A. Lizotte of Murphy King PC, Chapter 7 trustee to discuss next steps for Chapter 7 trustee to deal Canadian creditors claims against funds held in escrow, other assets of Repechage and other Chapter 11 debtors, claims process, plans to be recognized as Foreign Representative in Canada, etc., prepare summary of call and send to J. Wigley; review endorsement and order of J. Morawetz to motion from Heenan Blaikie and post on E&C website.	2.2
10-May-12	Pearl, Ken	Discussion with J. Wigley re plans for Supplemental Report; discussion with and send email to M. Pisani of GE Capital to obtain update to their plans re shortfall and dealing with remaining assets of E&C.	1.2



Date	Professional	Description	Time
11-May-12	Pearl, Ken	Discussion with J. Wigley re contacting Verdolino & Lowey re funds held in escrow and M. Pisani and McCarthy re intention of GE Capital; review supplemental report drafted by J. Wigley.	0.4



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**INVOICE**

Elephant & Castle Group Inc.  
 50 Congress Street, Suite 900  
 Boston, MA  
 02109-4002

<i>Date</i>	<i>Invoice No.</i>
15 February 2012	87023551

*Re Elephant & Castle Group Inc.*

**TO PROFESSIONAL SERVICES RENDERED** in connection with our role as CCAA Information Officer for the period from 16 December 2011 to 1 February 2012 as per the details below:

Our Fee in All		\$ 10,576.50
Disbursement:		
Gardiner Roberts LLP - Legal Fees	3,847.00	
Travel	<u>8.04</u>	<u>3,855.04</u>
Subtotal		14,431.54
HST on Receiver Fees 13% (#R101518124)		1,375.99
HST on Legal Fees 13% (#R119424976)		500.11
<b>Total Due:</b>		<b><u>\$ 16,307.64</u></b>

<b>Summary of Time Charges:</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
K. Pearl, Associate	22.6	465.00	10,509.00
Administrative Support	0.5		67.50
<b>Total</b>	<u>23.1</u>		<b><u>\$ 10,576.50</u></b>



Date	Professional	Description	Time
13-Jan-12	Pearl, Ken	Review motion record and court orders in Chapter 11 Proceedings posted to US website to summarize in draft report.	3.6
19-Jan-12	Pearl, Ken	Discussion with K. Kraft and J. Wigley re status of motion to approve sale, proposed distribution and timing of completion of report of the Information Officer.	0.4
22-Jan-12	Pearl, Ken	Review emails from K.Kraft and conference call with K. Kraft and J. Wigley re to discuss issues raised by D. Dobbin re competing bid and objection to sales process, termination of board members and alternative outcomes in court on Jan 24 and plans for update call on the afternoon of Jan 24; summarize Court Orders of Dec 21/11 and work on draft Second Report of the Information Officer.	2.8
23-Jan-12	Pearl, Ken	Discussion with K.Kraft, J. Salmas and S. Wilson of Heenan Blaikie re issues raised by D. Dobbin re competing bid and objection to sales process, termination of board members and alternative outcomes in court on Jan 24; agree on plans for timing and content of report of the information officer; review objections filed to Sale Order and Assumption and Assignment of Leases on Epiq website.	2.2
24-Jan-12	Pearl, Ken	Conference call with K. Kraft and J. Wigley re hearing in US Bankruptcy Court to approve sale and denial of opposition by D. Dobbin; update on landlord objections to assumption and assignment of leases; plan report of Information Officer and timing; commence drafting report.	2.1
25-Jan-12	Pearl, Ken	Review report template and draft Sale Approval Order and draft 2nd Report of the Information Officer; review comments on draft report and revise.	5.4
26-Jan-12	Pearl, Ken	Edit draft report and proof and make sure all exhibits are included, sign final; review updated draft Sales Approval Order.	3.1
30-Jan-12	Pearl, Ken	Discussion with Ken Kraft re objection to recognition of Sales Approval Order raised by David Dobbin; attend in Court to hear request by applicant for Recognition Order of Sales Approval Order; review Order and Endorsement issued by J. Morawetz and arrange to post on website.	2.4



Date	Professional	Description	Time
31-Jan-12	Pearl, Ken	Review revisions to Sale Approval Order reflecting revised agreement with landlord at 212 King St, drafted by K. Kraft.	0.4
1-Feb-12	Pearl, Ken	Review of amended recognition order for Sale Approval to add lease at 212 King Street.	0.2





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123 Front Street W, Suite 1200  
Toronto ON M5J 2M2 Canada

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**INVOICE**

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Elephant & Castle Group Inc.  
50 Congress Street, Suite 900  
Boston, MA  
02109-4002

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<i>Date</i>	<i>Invoice No.</i>
2 January 2012	86181123

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**Re** *Elephant & Castle Group Inc.*

**TO PROFESSIONAL SERVICES RENDERED** in connection with our role as CCAA Information Officer for the period from 18 July 2011 to 15 December 2011 as per the details below:

Our Fee in All		\$	22,452.50
Disbursement:			
Gardiner Roberts LLP - Legal Fees	2,828.00		
Travel	8.04		
Postage / Courier	22.12		2,858.16
Subtotal			25,310.66
HST on Receiver Fees 13% (#R101518124)			2,922.75
HST on Legal Fees 13% (#R119424976)			351.13
<b>Total Due:</b>		<b>\$</b>	<b>28,584.54</b>

<b>Summary of Time Charges:</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
B. Davidson, Partner	1.5	\$ 495.00	\$ 742.50
K. Pearl, Associate	45.9	460 / 465	21,243.50
J. Ross, Senior	1.7	235.00	399.50
Administrative Support	0.5		67.00
<b>Total</b>	<b>49.6</b>		<b>\$ 22,452.50</b>



Date	Professional	Description	Time
18-Jul-11	Pearl, Ken	Send copies of initial Court Application to Office of the Superintendent of Bankruptcy as requested.	0.3
20-Jul-11	Pearl, Ken	Discussion with creditor in BC re returned cheque, review, send invoices and creditor info to Epic to add to creditor list and send Chapter 11 notice.	0.4
21-Jul-11	Pearl, Ken	Discussion with K. Radford re funding payment of invoice to National Post for published notice to creditors.	0.3
22-Jul-11	Pearl, Ken	Discussion with Andrew Peller Limited as to how to make a claim on Epiq website; discussion with C. Stanley of CRA re Chapter 11 filing and send copies of court orders.	0.6
26-Jul-11	Pearl, Ken	Discussion with Tricom and Russell Food Equipment and send notice to Epiq to add to creditor's list; assist creditors to file claim using website; discussion with CRA auditor re request to review books and records for GST and payroll audit and send request to K. Radford; review and approve legal invoice from Gardiner Roberts and send with BDO invoice to Eckert Seamans for payment.	1.8
27-Jul-11	Pearl, Ken	Discussion with K. Radford, CFO and Kay Singh, CRA representative re confirming location and providing access to CRA to books and records.	0.7
3-Aug-11	Pearl, Ken	Discussion with J. Beringer, owner of Sabre Media, a creditor in Winnipeg re filing a proof of claim by accessing Epiq website.	0.3
5-Aug-11	Pearl, Ken	Discussion with C. Stanley re length of stay in Chapter 11 order; discussion with Steelwood Chair and Table, Toronto creditor re filing a proof of claim.	0.2
8-Aug-11	Pearl, Ken	Discussion with D. Dobbin re permission to speak to P. Palladino of Choates re refinancing options; discussion with Megan and Enbridge re request for \$1,500 deposit for Yonge St. location; request financial statements from K. Radford and send to C. Stanley of CRA; discussion with Bell Canada re CCAA and continuing to invoice debtors for current invoices.	1.7
10-Aug-11	Pearl, Ken	Discussion with BFI re how to download and file proof of claim from Epiq website.	0.3



Date	Professional	Description	Time
15-Aug-11	Pearl, Ken	Discussion with The Custom Group and Corporate Canada re how to file proof of claim in Chapter 11 proceeding.	0.4
17-Aug-11	Pearl, Ken	Respond to query from WSIB and other creditor on how to file proof of claim; discussion with R. Weiss of Sankaty and referral to D. Dobbin re refinancing opportunity.	0.8
22-Aug-11	Pearl, Ken	Discussion with J. Foran re status of Halifax franchise and cash shortfall and options to proceed.	0.5
26-Aug-11	Pearl, Ken	Discussion with K. Kraft, J. Foran and M. Rosen re status of Halifax franchise and options to proceed to keep operations intact and request extension to proposal during CCAA.	0.7
29-Aug-11	Pearl, Ken	Discussion with and assistance to creditor (National Plumbing) re filing their proof of claim.	0.4
30-Aug-11	Pearl, Ken	Discussion with K. Radford re expression of interest in sale of restaurants from Toronto realtor and send him contact info for Bellmark.	0.3
31-Aug-11	Pearl, Ken	Discussion with J. Foran, M. Rosen and K. Kraft re ability of debtors to fund Halifax franchise while in proposal proceedings and options to protect brand.	0.8
1-Sep-11	Pearl, Ken	Discussion with K. Kraft re cash flow issues with Halifax franchise and whether Debtors would be able to provide funding or interested in taking over as a corporate store; discussion with Wanda of Custom Door Lock re filing proof of claim.	0.8
6-Sep-11	Pearl, Ken	Discussion with J. Wigley and send forecast of estimated professional fees from Sept to Dec 2011 to J. Loughnane as requested.	0.4
13-Sep-11	Pearl, Ken	Discussion with National Plumbing and Custom Group re filing proofs of claim.	0.4
14-Sep-11	Pearl, Ken	Discussion with K. Kraft re CDIC insurance limits over E&C accounts with Royal Bank.	1.0
16-Sep-11	Pearl, Ken	Discussion with party in Edmonton interested in purchase of restaurant locations; send him contact info for Bellmark Partners.	0.3
20-Sep-11	Pearl, Ken	Discussion with A. Tillman of KPMG Vancouver re his client's interest in sale of restaurant locations	2.2



Date	Professional	Description	Time
		and provide contact info for Bellmark; Discussion with Ken Kraft and Gary Heller re Pay Equity Issue and review correspondence; Discussion with John Loughnane re status summary and review copy of proposed 4th Interim order as background to report of Information Officer.	
21-Sep-11	Pearl, Ken	Discussion with A. Coulen of Pay Equity Commission re nature and status of proceeding and their concerns.	0.4
23-Sep-11	Pearl, Ken	Review motions and court orders posted to US website to summarize status of proceeding for court report.	3.7
30-Sep-11	Pearl, Ken	Discussion with National Plumbing and C. Murray of Epiq to confirm receipt of proof of claim.	0.3
3-Oct-11	Pearl, Ken	Respond to creditor inquiries re filing proofs of claim.	0.3
7-Oct-11	Pearl, Ken	Discussion with B. Darlington of Davis re his client's interest in purchasing locations and send him contact info for D. Gismondi of Bellmark.	0.3
17-Oct-11	Pearl, Ken	Respond to inquiry from interested purchaser.	0.2
28-Oct-11	Pearl, Ken	Discussion with M. Greenberg and forward contact info for Bellmark Partners re interest in a purchase of locations; draft first report of Information Officer.	1.8
1-Nov-11	Pearl, Ken	Respond to inquiry from 3rd party interested in purchase of restaurant locations; Discussion with Ken Kraft re First Report of Information Officer and status of Chapter 11 proceedings.	0.4
2-Nov-11	Pearl, Ken	Discussion with K. Kraft re status of Chapter 11 proceedings and sales process and plan; respond to inquiry from creditor and party interested in purchasing location(s).	0.5
4-Nov-11	Pearl, Ken	Respond to supplier inquiry repayment of ongoing invoices for Winnipeg location.	0.3
6-Nov-11	Pearl, Ken	Review motion records and court orders of US Bankruptcy Court posted on Epic website draft First Report of Information Officer.	3.8
9-Nov-11	Pearl, Ken	Send BC WSIB claim form to K. Radford.	0.2



Date	Professional	Description	Time
10-Nov-11	Pearl, Ken	Review updates to Epiq website and update draft First Report of the Information Officer.	1.6
13-Nov-11	Pearl, Ken	Update First Report of the Information Officer.	1.3
17-Nov-11	Pearl, Ken	Discussion with C. Stanley of CRA and forward her concerns re access to information from debtors to K. Kraft.	0.3
20-Nov-11	Pearl, Ken	Complete draft First Report of the Information Officer.	4.6
21-Nov-11	Pearl, Ken	Discussion with K. Kraft re status of decision to proceed with 363 sale versus refinancing proposal; respond to inquiry from party interested in purchase of locations; discuss draft report with J. Wigley and make revisions including addition of executive summary and send updated draft with exhibits to J. Wigley for review.	2.1
21-Nov-11	Davidson, Blair	Review Monitor's report and changes from counsel.	1.5
22-Nov-11	Pearl, Ken	Discussion with J. Wigley and make final revisions and sign and return with signed signature page.	1.1
23-Nov-11	Pearl, Ken	Respond to creditor inquiry re proof of claim.	0.1
28-Nov-11	Pearl, Ken	Review comments from K. Kraft on court report, discussion with J. Wigley.	1.3
28-Nov-11	Ross, Joel	Review and update of first report of information officer.	1.7
29-Nov-11	Pearl, Ken	Revised First Report of Information Officer and send to J. Wigley with schedules; respond to inquiry from BC WSIB re filing of POC and claims bar date; review correspondence from Heenan to LCBO.	1.8
2-Dec-11	Pearl, Ken	Review final motion record and First Report of the Information Officer with exhibits received from Gardiner Roberts.	0.4
7-Dec-11	Pearl, Ken	Review motion record and First Report of Information Officer prior to court scheduled for Thurs am; review draft recognition order rec'd from Ken Kraft and comments from K. Lenz and Discussion with J. Wigley.	1.4



Date	Professional	Description	Time
8-Dec-11	Pearl, Ken	Attend in Court for approval of First Report of Information Officer by J. Morawetz.	1.5
12-Dec-11	Pearl, Ken	Respond to Bell Canada re status of proceedings and length of stay.	0.3
15-Dec-11	Pearl, Ken	Send creditor inquiry and copy of proof of claim received to C. Murray of Epiq and M. Sally of Eckert Seamans.	0.3



Tel: 416 865 0210  
Fax: 416 865 0904  
www.bdo.ca

BDO Canada Limited  
123 Front Street W, Suite 1200  
Toronto ON M5J 2M2 Canada

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**INVOICE**

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Elephant & Castle Group Inc.  
50 Congress Street, Suite 900  
Boston, MA  
02109-4002

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<i>Date</i>	<i>Invoice No.</i>
22 July 2011	10393781

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**Re: Elephant & Castle Group Inc.**

**TO PROFESSIONAL SERVICES RENDERED** in connection with the above-noted Receivership for the period from 20 June 2011 to 15 July 2011 as per the details below:

Our Fee in All		\$	11,706.30
Disbursement:			
Gardiner Roberts LLP - Legal Fees	<u>2,142.50</u>		<u>2,142.50</u>
Subtotal			13,848.80
HST 13% (#R101518124)			1,800.34
<b>Total Due:</b>			<b><u><u>\$ 15,649.14</u></u></b>

<b>Summary of Time Charges:</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
B. Davidson, Partner	2.5	\$ 495.00	\$ 1,237.50
K. Pearl, Senior Manager	22.7	460.00	10,442.00
Administrative Support	0.2		26.80
<b>Total</b>	<u>25.4</u>		<u><u>\$ 11,706.30</u></u>



Date	Professional	Comments	Time
20-Jun-11	Pearl, Ken	Discussion with K. Kraft re background, status of Chapter 11 proceeding, and role of proposed Information Officer.	0.4
21-Jun-11	Pearl, Ken	Review of CIM, draft declarations of K. Radford and D. Dobbin and draft cash flow forecast prepared by Chapter 11 Debtors; discussion with K. Kraft re preparation of a Pre-Filing Report of the Proposed Information Officer; send comments on cash flow to Ken and review revised version.	2.6
23-Jun-11	Pearl, Ken	Discussion with K. Kraft re talks with GE and status of Chapter 11 filings; review proposed draft initial order and revised affidavits of K. Radford and D. Dobbin; Discussion with J. Wigley re acting as independent counsel; draft pre-filing report.	3.6
24-Jun-11	Pearl, Ken	Draft Pre-Filing Report.	2.9
27-Jun-11	Pearl, Ken	Discussion with B. Davidson and J. Wigley re draft report of Proposed Information Officer and make revisions and send to Ken Kraft; discussion with K. Kraft re status of Chapter 11 filing and meetings with GE; sign consent to act as Information Officer and return to Heenan Blaikie.	3.3
27-Jun-11	Davidson, Blair	Review Info Officer Preliminary Report; discuss strategy and issues with K. Pearl.	1.5
28-Jun-11	Pearl, Ken	Review of draft orders for interim stay and initial recognition and supplementary orders; discussion with K. Kraft re status of Chapter 11 filings; make final revisions to report of Proposed Information Officer and send to Heenan; review updated cash forecasts of Chapter 11 Debtors and discussion with K. Kraft; arrange for BDO website to post court materials/orders and reports for creditors	1.9
29-Jun-11	Pearl, Ken	Review supporting affidavits and petitions filed by Chapter 11 debtors and attend in court for hearing of request for Interim Initial Order and plans for hearing of Initial Recognition and Supplementary Orders; review issued order and endorsement of J. Morawetz and arrange to post on BDO website; discussion with Epiq re adding US website to BDO website.	2.6





Date	Professional	Comments	Time
30-Jun-11	Pearl, Ken	Review Notice drafted by Heenan, request quotes to publish from National Post and Globe & Mail; review quote from National Post.	0.7
4-Jul-11	Pearl, Ken	Review of Initial Recognition and Supplementary Orders issued by J. Morawetz and arrange to post on BDO website; review comments from Heenan and revise Notice and arrange to publish in National Post on July 7 and 14	1.3
5-Jul-11	Pearl, Ken	Discussion with J. Horowitz of Epiq to arrange direct feeds from US website; discussion with K. Kraft re Elephant & Castle Pratt Street LLC.	0.3
6-Jul-11	Pearl, Ken	Discussion with B. Davidson, K. Kraft and J. Rosekat re OSB request to complete and submit forms; discussion with K. Kraft re sending notices to creditors by Chapter 11 debtors.	0.4
6-Jul-11	Davidson, Blair	Telephone call with D. Marshal of OSB re filing requirements; various emails re counsel input.	1.0
8-Jul-11	Pearl, Ken	Discussion with G. Polon of PWC re his client's interest in E&C and direct him to Bellmark.	0.3
13-Jul-11	Pearl, Ken	Prepare and submit CCAA forms 1 and 2 to OSB as requested; discussion with K. Kraft, J. Luvison and K. Radford re responding to Sheriff in Ottawa with copies of recognition order re stay.	1.8
14-Jul-11	Pearl, Ken	Discussion with That Furniture Guy and Russell Foods, Canadian creditors and send contact info to Eckert Seamans and Epiq to add to creditors list.	0.6

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF CERTAIN PROCEEDINGS  
TAKEN IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF MASSACHUSETTS EASTERN DIVISION  
WITH RESPECT TO THE COMPANIES LISTED ON  
SCHEDULE "A" HERETO (THE "CHAPTER 11 DEBTORS")**

**APPLICATION OF  
MASSACHUSETTS ELEPHANT & CASTLE GROUP, INC.**

**UNDER SECTION 46 OF THE  
COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED**

**AFFIDAVIT OF FEES AND DISBURSEMENTS OF  
JEFFREY ROSEKAT**

**I, JEFFREY ROSEKAT, of the Town of Maple, in the Province of Ontario, MAKE OATH  
AND SAY AS FOLLOWS:**

1. I am a lawyer with the law firm of Gardiner Roberts LLP and have knowledge of the matters hereinafter deposed.
2. Attached hereto as Exhibit "A" are true copies of the accounts rendered by Gardiner Roberts LLP to BDO Canada Limited, in its capacity as Court-appointed Information Officer in connection with the Chapter 11 US Bankruptcy Code proceedings of Massachusetts Elephant & Castle Group, Inc, (the "Information Officer"), which said accounts set out the particulars of the work performed by Gardiner Roberts LLP personnel with respect to this matter and the expended time in relation to each entry.

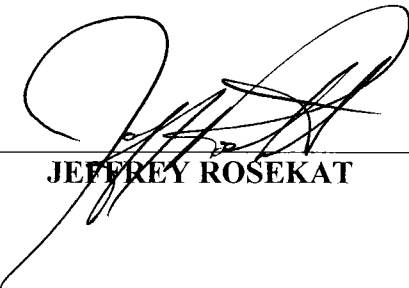
- 3. The total of all fees, disbursements and applicable taxes for the period from June 22, 2011 to May 11, 2012 in this matter is \$23,002.89 is reflected in the accounts at Exhibit "A".
- 4. The following are the billing rates of the lawyers, paralegals and students at law who have worked upon the matter together with their year of call where applicable:

<b>Timekeeper</b>	<b>Hourly Rate</b>	<b>Year of Call</b>
Jonathan Wigley	\$540.00	1980
Jeffrey Rosekat	\$425.00	2000
Tim Duncan	\$200.00	Student-at-law

- 5. The hourly billing rates applied are Gardiner Roberts LLP's agreed hourly rates for this client which were in effect throughout the duration of Gardiner Roberts LLP's retainer by the Information Officer.
- 6. It is estimated that from May 12, 2012 to the completion of this matter, including final discharge, will amount to approximately \$5,000.
- 7. The total amount being claimed for fees to completion of this matter is \$28,002.89 inclusive of fees, disbursement and taxes.
- 8. Gardiner Roberts LLP has not received, nor hopes, nor expects to receive, nor has been promised any remuneration or consideration other than the amounts claimed herein.

**SWORN BEFORE ME** at the  
 City of Toronto, in the Province  
 of Ontario, on May 16, 2012

  
 \_\_\_\_\_  
 A Commissioner for Taking Oaths

)   
 ) \_\_\_\_\_  
 ) **JEFFREY ROSEKAT**



GARDINER ROBERTS

BDO Canada Limited  
123 Front Street West  
Suite 1200  
Toronto, Ontario M5J 2M2

Attention: Mr. Ken Pearl

Re: Insolvency of Elephant & Castle

This is Exhibit "A" referred to in the  
affidavit of Jeffrey Resokat  
sworn before me, this 16<sup>th</sup>  
day of May 20 12  
[Signature]  
A Commissioner, etc.

July 26, 2011  
Bill #223024

GST/HST #R119424976

FILE: BDOC-96760/JHW

STATEMENT OF ACCOUNT

TO PROFESSIONAL SERVICES RENDERED on your behalf in connection with the above-noted matter for the period from June 22, 2011 to July 6, 2011:

DATE	TKPR	HOURS	DESCRIPTION
22-Jun-11	JBR	0.50	Preliminary review of materials.
23-Jun-11	JBR	0.70	Review draft report, initial recognition order and other documentation; discussions with J. Wigley and K. Pearl regarding planning and role of Information Officer.
24-Jun-11	JHW	0.70	Brief review of the proposed recognition order; consider possible roles for information officer in this matter.
24-Jun-11	JHW	0.20	Status updates from K. Pearl, J. Salmas et al.
27-Jun-11	JHW	0.70	Review of proposed information officer's pre-filing report; email to K. Pearl.
28-Jun-11	JHW	0.40	Consider draft order and email exchanges re insertions into the order and mechanics of filing reports.
04-Jul-11	JBR	0.30	Receipt and review e-mail from K. Kraft; review issued order.
05-Jul-11	JBR	0.30	Review e-mail exchanges; telephone call with K. Pearl regarding status.
06-Jul-11	JBR	0.70	E-mail exchange with K. Kraft and K. Pearl and B. Davidson regarding OSB required forms.

TO OUR FEE: \$ 2,142.50

TOTAL HST ON \$ 2,142.50 FEES \$ 278.53

TOTAL FEES, DISBURSEMENTS AND GST/HST: \$ 2,421.03

THIS IS OUR ACCOUNT HEREIN  
GARDINER ROBERTS LLP

[Signature]  
Per: Jonathan Wigley

E. & O. E.

	<b>TIMEKEEPER</b>	<b>HOURS</b>	<b>RATE</b>
JBR	Jeffrey Rosekat	2.50	425.00
JHW	Jonathan Wigley	2.00	540.00

This account is due on delivery. In accordance with Section 33 of the Solicitors Act, unpaid fees, charges or disbursements are subject to interest at the rate of 0.13% per annum, calculated from the date that is one month after this account is delivered.



**GARDINER ROBERTS**

BDO Canada Limited  
123 Front Street West  
Suite 1200  
Toronto, Ontario  
M5J 2M2

November 30, 2011  
Bill #226114

GST/HST #R119424976

Attention: Mr. Ken Pearl

Re: Insolvency of Elephant & Castle

FILE: BDOC-96760/JHW

**STATEMENT OF ACCOUNT**

TO PROFESSIONAL SERVICES RENDERED on your behalf in connection with the above-noted matter for the period from September 21, 2011 to November 28, 2011:

<b>DATE</b>	<b>TKPR</b>	<b>HOURS</b>	<b>DESCRIPTION</b>
21-Sep-11	JHW	0.10	Email to K. Pearl concerning court reporting.
08-Nov-11	JHW	0.20	Follow up with K. Pearl regarding status of reports.
21-Nov-11	JHW	1.90	Review of K. Pearl report and comment thereon.
22-Nov-11	JHW	0.50	Review of the First Report of the Information Officer.
24-Nov-11	JHW	0.40	Draft notice of motion.
25-Nov-11	JHW	1.40	Prepare notice of motion and draft order; email exchange.
28-Nov-11	JHW	0.50	Review of report draft; comment to K. Pearl.

**TO OUR FEE:**

**\$ 2,700.00**

**DISBURSEMENTS – NON-TAXABLE:**

Court fee for filing motion material 127.00

**DISBURSEMENTS - TAXABLE:**

Printing 1.00

**TOTAL DISBURSEMENTS \$ 128.00**

**TOTAL HST ON \$ 2,700.00 FEES \$ 351.00**

**TOTAL HST ON \$ 1.00 DISBURSEMENTS \$ 0.13**

**TOTAL FEES, DISBURSEMENTS AND GST/HST: \$ 3,179.13**

**GARDINER ROBERTS LLP**

Scotia Plaza, 40 King Street West, Suite 3100  
Toronto, ON, Canada M5H 3Y2

Tel. 416 865 6600 Fax: 416 865 6636 www.gardiner-roberts.com

**THIS IS OUR ACCOUNT HEREIN**

**GARDINER ROBERTS LLP**



Per: Jonathan Wigley  
E. & O. E.

	<b>TIMEKEEPER</b>	<b>HOURS</b>	<b>RATE</b>
JHW	Jonathan Wigley	5.00	540.00

This account is due on delivery. In accordance with Section 33 of the Solicitors Act, unpaid fees, charges or disbursements are subject to interest at the rate of 1.30% per annum, calculated from the date that is one month after this account is delivered.



**GARDINER ROBERTS**

BDO Canada Limited  
123 Front Street West  
Suite 1200  
Toronto, Ontario  
M5J 2M2

December 31, 2011  
Bill #227008

GST/HST #R119424976

Attention: Mr. Ken Pearl

Re: Insolvency of Elephant & Castle

FILE: BDOC-96760/JHW

**STATEMENT OF ACCOUNT**

TO PROFESSIONAL SERVICES RENDERED on your behalf in connection with the above-noted matter for the period from December 5, 2011 to December 8, 2011:

<b>DATE</b>	<b>TKPR</b>	<b>HOURS</b>	<b>DESCRIPTION</b>
05-Dec-11	JHW	0.10	Instructions re motion materials and service; email to K. Pearl.
08-Dec-11	JHW	1.80	Preparation and attendance before Justice Morawetz re information order.

**TO OUR FEE:** **\$ 1,026.00**

**DISBURSEMENTS - TAXABLE:**

Litigation Support	50.00
Copying (Ricoh)	130.75
Cerlox Binding Services	15.00
Printing	88.50
Transaction Levy Surcharge	50.00

**TOTAL DISBURSEMENTS** **\$ 334.25**

**TOTAL HST ON \$ 1,026.00 FEES** **\$ 133.38**

**TOTAL HST ON \$ 334.25 DISBURSEMENTS** **\$ 43.45**

**TOTAL FEES, DISBURSEMENTS AND GST/HST:** **\$ 1,537.08**

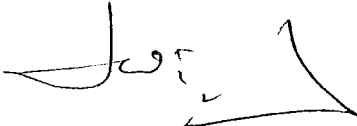
**GARDINER ROBERTS LLP**

Scotia Plaza, 40 King Street West, Suite 3100  
Toronto, ON, Canada M5H 3Y2  
Tel: 416 865 6600 Fax: 416 865 6636 www.gardiner-roberts.com



**THIS IS OUR ACCOUNT HEREIN**

**GARDINER ROBERTS LLP**



Per: Jonathan Wigley  
E. & O. E.

	<b>TIMEKEEPER</b>	<b>HOURS</b>	<b>RATE</b>
JHW	Jonathan Wigley	1.90	540.00

This account is due on delivery. In accordance with Section 33 of the Solicitors Act, unpaid fees, charges or disbursements are subject to interest at the rate of 1.30% per annum, calculated from the date that is one month after this account is delivered.



**GARDINER ROBERTS**

BDO Canada Limited  
123 Front Street West  
Suite 1200  
Toronto, Ontario M5J 2M2

January 31, 2012  
Bill #227787

GST/HST #R119424976

Attention: Mr. Ken Pearl

Re: Insolvency of Elephant & Castle

FILE: BDOC-96760/JHW

**STATEMENT OF ACCOUNT**

TO PROFESSIONAL SERVICES RENDERED on your behalf in connection with the above-noted matter for the period from January 19, 2012 to January 30, 2012:

DATE	TKPR	HOURS	DESCRIPTION
19-Jan-12	JHW	0.50	Review of process re auction in the US and pending recognition orders; consider need for further reports and likely attendances; further email exchanges.
24-Jan-12	JHW	0.30	Email from K. Kraft and telephone call with group.
25-Jan-12	JHW	0.70	Review of K. Pearl draft report.
26-Jan-12	JHW	0.50	Final report changes.
30-Jan-12	JHW	2.50	Email from Mr. Dobbin re possible lawsuit against GE; attendance in court vis second recognition order; order granted.

**TO OUR FEE:** **\$ 2,430.00**

**DISBURSEMENTS - TAXABLE:**

Legal Process Servers	50.00
Printing	6.75

**TOTAL DISBURSEMENTS** **\$ 56.75**

**TOTAL HST ON \$ 2,430.00 FEES** **\$ 315.90**

**TOTAL HST ON \$ 56.75 DISBURSEMENTS** **\$ 7.38**

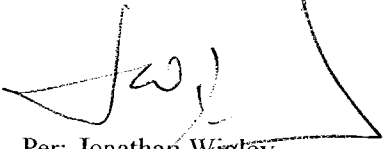
**TOTAL FEES, DISBURSEMENTS AND GST/HST:** **\$ 2,810.03**

**GARDINER ROBERTS LLP**

Scotia Plaza, 40 King Street West, Suite 3100  
Toronto, ON, Canada M5H 3Y2  
Tel: 416 865 6600 Fax: 416 865 6636 www.gardiner-roberts.com

**THIS IS OUR ACCOUNT HEREIN**

**GARDINER ROBERTS LLP**



Per: Jonathan Wigley  
E. & O.E.

	<b>TIMEKEEPER</b>	<b>HOURS</b>	<b>RATE</b>
JHW	Jonathan Wigley	4.50	540.00

This account is due on delivery. In accordance with Section 33 of the Solicitors Act, unpaid fees, charges or disbursements are subject to interest at the rate of 1.30% per annum, calculated from the date that is one month after this account is delivered.



**GARDINER ROBERTS**

BDO Canada Limited  
123 Front Street West, Suite 1200  
Toronto, Ontario M5J 2M2

February 29, 2012  
Bill #229024  
GST/HST #R119424976

Attention: Mr. Ken Pearl

Re: Insolvency of Elephant & Castle

FILE: BDOC-96760/JHW

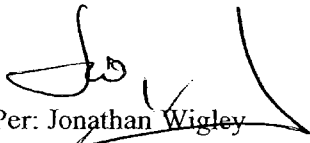
**STATEMENT OF ACCOUNT**

TO PROFESSIONAL SERVICES RENDERED on your behalf in connection with the above-noted matter for the period from January 31, 2012 to January 31, 2012:

DATE	TIMEKEEPER	HOURS	DESCRIPTION
31-Jan-12	JHW	0.20	Emails re slight revised order and brief discussion.

<b>TO OUR FEE:</b>	<b>\$ 108.00</b>
<b>TOTAL HST ON \$ 108.00 FEES</b>	<b>\$ 14.04</b>
<b>TOTAL FEES, DISBURSEMENTS AND GST/HST:</b>	<b>\$ 122.04</b>

**THIS IS OUR ACCOUNT HEREIN  
GARDINER ROBERTS LLP**

  
Per: Jonathan Wigley  
E. & O. E.

	TIMEKEEPER	HOURS	RATE
JHW	Jonathan Wigley	0.20	540.00

This account is due on delivery. In accordance with Section 33 of the Solicitors Act, unpaid fees, charges or disbursements are subject to interest at the rate of 1.30% per annum, calculated from the date that is one month after this account is delivered.



**GARDINER ROBERTS**

BDO Canada Limited  
123 Front Street West  
Suite 1200  
Toronto, Ontario M5J 2M2

May 14, 2012  
Bill #230726

GST/HST #R119424976

Attention: Mr. Ken Pearl

Re: Insolvency of Elephant & Castle

FILE: BDOC-96760/JHW

**STATEMENT OF ACCOUNT**

TO PROFESSIONAL SERVICES RENDERED on your behalf in connection with the above-noted matter for the period from April 30, 2012 to May 11, 2012:

<b>DATE</b>	<b>TKPR</b>	<b>HOURS</b>	<b>DESCRIPTION</b>
30-Apr-12	JHW	1.40	Telephone call to K. Pearl; telephone call to K. Kraft; consider motion materials; revise draft notice of motion.
01-May-12	JHW	3.80	Consider notice of motion and what relief is now appropriate assuming a chapter 7; consider status change of the foreign representative; revise notice of motion.
02-May-12	JHW	4.50	Email US Trustee's office re position vis foreign representative; telephone call to K. Pearl; revise motion materials; comment on draft report; discussion with K. Pearl.
03-May-12	JHW	2.00	Revise motion materials; telephone call to US Trustee; telephone call to K. McElcheran; motion materials production; revise service list.
07-May-12	JHW	0.90	Review report for motion set for May 8; email to A. Lizotte, Trustee's office Chapter 7; email from K. McElcheran re GE position.
08-May-12	JHW	3.80	Attendance before Justice Morawetz regarding motions by Heenan Blaikie and Information Officer; matter adjourned for further information; email to Mr. Lizotte re meeting; forward scanned endorsements to K. Pearl; email re telecon with A. Lizotte; receipt of Heenan orders.
09-May-12	JHW	0.20	Teleconference with the US Trustee's office with respect to the proceeds of sale and the conduct of the C.7 proceedings vis Canadian creditors.
09-May-12	TID	1.10	Teleconference with K. Pearl and H. Murphy.
10-May-12	JHW	0.50	Telephone call with K. Pearl re status; email to K. Kraft re information; consider current state of US Trustee's position.
11-May-12	JHW	2.80	Telephone call and email to escrow agent; prepare a draft of matters that might be contained in a supplemental report; email to K. Pearl.

**TO OUR FEE:**

**\$ 11,165.00**

**GARDINER ROBERTS LLP**

Scotia Plaza, 40 King Street West, Suite 3100  
Toronto, ON, Canada M5H 3Y2  
Tel: 416 865 6600 Fax: 416 865 6636 www.gardiner-roberts.com

**DISBURSEMENTS - TAXABLE:**

Telephone	2.65
Copying (Ricoh)	166.50
Cerlox Binding Services	20.00
Scanning	0.50
Printing	91.00

TOTAL DISBURSEMENTS	\$ 280.65
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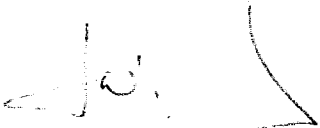
TOTAL HST ON \$ 11,165.00 FEES	\$ 1,451.45
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TOTAL HST ON \$ 280.65 DISBURSEMENTS	\$ 36.48
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<b>TOTAL FEES, DISBURSEMENTS AND GST/HST:</b>	<b>\$ 12,933.58</b>
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**THIS IS OUR ACCOUNT HEREIN**

**GARDINER ROBERTS LLP**



Per: Jonathan Wigley  
E. & O. E.

	<b>TIMEKEEPER</b>	<b>HOURS</b>	<b>RATE</b>
TID	Tim Duncan	1.10	200.00
JHW	Jonathan Wigley	19.90	550.00

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