



*This is the 1st Affidavit of J. Kennedy
in this case and was made on September 1, 2021*

No. VCL-S-204082
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

Between

THE TORONTO-DOMINION BANK

Petitioner

And

RONSONS SHOE STORES LTD.

Respondent

AFFIDAVIT #1 OF JULIE KENNEDY

I, JULIE KENNEDY, of Suite 1600 – MNP Tower, 1021 West Hastings Street, in the City of Vancouver, in the Province of British Columbia, MAKE OATH AND SAY AS FOLLOWS:

1. I am a Vice President of MNP Ltd., in its capacity as the Court Appointed Receiver of all of the assets, undertaking and properties of the Respondent Ronsons Shoes Stores Ltd. (“**Ronsons**”) acquired for, or used in relation to a business carried on by the Ronsons, appointed by the Order of Madam Justice Fitzpatrick made April 20, 2020. As such, I am authorized by the Receiver to make this Affidavit. I have personal knowledge of the facts and matters hereinafter deposed to, save and except where the same are stated to be made upon information and belief, and, as to such facts, I verily believe the same to be true.
2. The Receiver prepared a report to the Court (the “**First Report**”) dated for reference June 25, 2020, and a second and final report to the Court (the “**Final Report**”) dated for reference September 1, 2021, all of which I have read. The facts set out in the First Report and the Final Report are, to the best of my knowledge, true and accurate.

3. Attached hereto collectively as Exhibit "A" are copies of the following invoices (collectively, the "Receiver's Invoices") issued by MNP showing fees for services rendered and disbursements incurred in this matter:

Date	Fees (\$)	GST/PST (\$)	Total (\$)
May 14, 2020	107,657.60	5,382.88	113,040.48
June 16, 2020	51,024.00	2,551.20	53,575.20
July 15, 2020	43,795.30	2,189.77	45,985.07
September 25, 2020	19,115.90	955.80	20,071.70
October 26, 2020	5,260.00	263.00	5,523.00
January 29, 2021	7,818.70	390.94	8,209.64
April 19, 2021	4,154.70	207.74	4,362.44
May 28, 2021	5,249.60	262.48	5,512.08
July 14, 2021	7,310.15	365.51	7,675.66
TOTAL	\$ 251,385.95	\$ 12,569.32	\$ 263,955.27

4. As detailed in the Receiver's Invoices, from April 20, 2020 to June 30, 2021 (the "Fee Period"), MNP invoiced fees amounting to \$251,385.95 and taxes in the amount of \$12,569.32, for a total of \$263,955.27 (collectively, the "Receiver's Fees").
5. In addition, MNP anticipates further accounts for professional services and disbursements of approximately \$18,000 plus GST.
6. The Receiver's Fees as set out in the Receiver's Invoices are calculated on the basis of the hours spent by the Receiver's personnel, multiplied by the applicable standard hourly rates charged by MNP in its insolvency practice.

7. Several professionals at MNP expended time on this matter. The following is a summary of the time expended by each professional in the Receiver's Invoices during the Fee Period and each professional hourly rate:

Professional	Position	Average Rate/ Hour (\$)	No. of Hours	Total Fees (\$)
Patty Wood	Partner	543	43.50	23,599.50
Julie Kennedy	Trustee	399	256.20	102,251.00
Greg Ibbott	Trustee	401	135.50	54,353.50
Elizabeth Chen	Accountant	288	25.90	7,463.30
Heather Ursaki	Admin. Assistant	139	43.10	5,984.10
Various	Support Staff	298	194.05	57,734.55
Total			698.25	\$ 251,385.95

8. To the best of my knowledge, information and belief, the information contained in the Receiver's Invoices as to the hours worked, the nature of the work performed, the identity of the individuals who performed the work and the rates charged for the work performed is true and correct in all respects.
9. Detail of the work carried out by the Receiver are described in the First Report and Final Report, and set out in the time narratives in the Receiver's Invoices.
10. The Receiver retained the services of Lawson Lundell LLP ("Lawson") to act as its legal counsel in respect of this receivership matter. A summary of the accounts rendered by Lawson for legal services rendered and copies of the accounts are attached as hereto as Exhibit "B". The Lawson legal accounts for the period of April 2020 to July 2021 are as summarized below:

Date	Invoice	Fees	Costs	GST	PST	Total
05/10/2020	683764	\$18,751	\$1,611.17	\$1,013.03	\$1,312.57	\$22,687.77
06/02/2020	685340	\$7,734	\$102.40	\$391.82	\$541.38	\$8,769.60
07/09/2020	687779	\$21,649	\$333.42	\$1,095.12	\$1,515.43	\$24,592.97
08/10/2020	690540	\$4,282	\$127.50	\$218.48	\$299.74	\$4,927.72
10/06/2020	695523	\$936	\$0.00	\$46.80	\$65.52	\$1,048.32
12/07/2020	701007	\$447	\$0.00	\$22.35	\$31.29	\$500.64
2/10/2021	706486	\$396	\$29.10	\$21.26	\$27.72	\$474.08
3/4/2021	707780	\$462	\$0.00	\$23.10	\$32.34	\$517.44

5/10/2021	713320	\$1,122	\$0.00	\$56.10	\$78.54	\$1,256.64
6/8/2021	716155	\$1,584	\$0.00	\$79.20	\$110.88	\$1,774.08
7/6/2021	718182	\$369.00	\$1.20	\$18.51	\$25.83	\$414.54
	TOTALS	\$57,732.00	\$2,204.79	\$2,985.77	\$4,041.24	\$66,963.80

11. In addition, Lawson anticipates further accounts for legal services of approximately \$10,000.00 inclusive of taxes and disbursements in respect of the subject discharge application.
12. As set out in the Final Report, it is the Receiver's view that the professional fees and disbursements of the Receiver and Lawson are fair, reasonable and justified in the circumstances, and accurately reflect the work done at the request of and on behalf of the Receiver.
13. I am aware that the Court, when considering an application by a receiver to pass its accounts and fix its approved remuneration, will consider the following factors as articulated by the British Columbia Court of Appeal in *Bank of Montreal v. Nican Trading Co. Limited* (1990), 43 B.C.L.R. (2d) 315 (C.A.). The factors are:
 - (a) the nature, extent and value of the assets;
 - (b) the complications and difficulties encountered by the Receiver;
 - (c) the degree of assistance provided by the debtor company, its officers or its employees;
 - (d) the time spent by the Receiver;
 - (e) the Receiver's knowledge, experience and skill;
 - (f) the diligence and thoroughness displayed by the Receiver;
 - (g) the responsibility assumed by the Receiver;
 - (h) the results of the Receiver's efforts; and
 - (i) the cost of comparable services performed in a prudent and economical manner.

The Nature, Extent and Value of the Assets

14. Ronsons operated as a retailer of shoes and related accessories from eighteen (18) stores located in the Lower Mainland of British Columbia, as well as Kelowna, BC and Victoria, BC.
15. Ronsons owned various personal property consisting of inventory for resale, warehouse equipment, pallet racking, warehouse shelving, office furniture and equipment, vehicles and trademarks.
16. Ronsons' inventory consisted of approximately 108,000 pairs of shoes and approximately 3,000 accessories. Ronsons also owned certain intangible assets including the website domain name, website address and various trademarks. After running a sales process, the Receiver entered into a purchase and sale agreement ("PSA") with Miller Fine Furniture Ltd. for the inventory and intangible assets for a purchase price \$1,125,000 (plus applicable taxes).
17. The Receiver negotiated two sale transaction pertaining to certain equipment including the computer server, racking shelving and office furniture for total proceeds of \$2,100.
18. Ronsons owned three vehicles and the Receiver sold the vehicles and received total net sale proceeds of approximately \$15,600.
19. The Receiver collected \$20,000 in accounts receivable as well as negotiated a settlement of \$20,000 for a transaction identified as a potential preference payment.

Tasks Performed and Complications and Difficulties Encountered

20. The details of the work carried out by the Receiver in these proceedings, and for which the Court's approval is sought at this time, are set forth in the two Reports of the Receiver to the Court (collectively, the "Receiver's Reports") prepared and filed by the Receiver in these proceedings, namely, the First Report and the Final Report.

The Degree of Assistance Provided by the Company, its Officers or its Employees

21. The Receiver called upon Ronsons' officers and employees where necessary to assist with inventory and various reporting.

The Time Spent

22. The time spent by the Receiver is summarized above.

The Receiver's Knowledge, Experience and Skill

23. The Receiver's knowledge, experience and skill are set out in the Receiver's Reports.

The Diligence and Thoroughness Displayed

24. The Receiver has acted with diligence and thoroughness throughout the administration of these Receivership proceedings.

The Results of the Receiver's Efforts

25. The results of the Receiver's efforts are more fully set out in the Receiver's Reports and include assisting employees with obtaining funds through the Wage Earner Protection Program, realization of the Ronsons' assets, addressing statutory claims and a recovery to the secured creditor TD Bank was owed \$988,773.28 as of March 30, 2021, received an interim distribution of \$500,000.00 and will receive a final distribution of approximately \$100,000.

* * * * *

26. This Affidavit is made in support of an application for an Order approving, among other things, the activities of the Receiver herein and discharging the Receiver.

SWORN BEFORE ME at the City of Vancouver,)
in the Province of British Columbia, this 1st day)
of September, 2021)

A Commissioner for taking Affidavits within
British Columbia

JULIE KENNEDY

Patty Wood, CPA, CGA.
A commissioner for taking Affidavits
for the Province of British Columbia

EXPIRES August 31, 2023.