

ONTARIO
SUPERIOUR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF
THE *COURTS OF JUSTICE ACT*, R.S.O. c.C.43 (as amended)

AND IN THE MATTER OF HANFENG EVERGREEN INC.

RESPONDING FACTUM
(Fee Approval Motion returnable November 20, 2017)

PART I – INTRODUCTION AND OVERVIEW

1. By its motion dated July 11, 2017, the Receiver is asking the Court deal with two issues:
 - (a) approval of the fees and disbursements of the Receiver and its counsel, Stikeman Elliott LLP (“**Stikeman**”), Mayer Brown JSM (“**Mayer Brown**”) and Heilongjiang Honghui Law Firm (“**Honghui**”), in the total amount of \$1,548,812 (fees in the amount of \$1,343,240, disbursements of \$49,193 and taxes of \$139,476), and,
 - (b) approval of the activities as set out in the Supplement to the First Report, its Fourth Report and its Fifth Report.
2. This factum is filed on behalf of Xinduo Yu (“**Yu**”) and Lei Li (“**Li**”) (collectively the “**Respondents**”) who are (directly or indirectly) owners of approximately 20% of the common shares of Hanfeng Evergreen Inc. (“**Hanfeng**”). The Respondents are also defendants in a lawsuit commenced by the Receiver claiming over \$165 million against them. This Factum deals with the first of the above issues, i.e. the fee approval order sought.

3. Given the late and incomplete delivery of materials from the Receiver, as set out in the in this Factum, the Respondents intend to deliver, to the extent practicable, a further factum dealing with the approval of the Receiver's Reports, and in any event, seek an adjournment of the motions.

4. The fees and disbursements for which the Receiver seeks approval are composed of the following:

- (a) the Receiver fees in the total amount of \$741,730 (fees of \$641,067, plus HST and disbursements in the amount of \$15,331.57) for the period of August 2, 2014 to April 28, 2017;
- (b) Stikeman fees in the total amount of \$471,223.57 (fees of \$407,952, plus HST and disbursements in the amount of \$9,127.12) for the period of April 12, 2014 to May 5, 2017;
- (c) Mayer Brown fees in the total amount of \$228,773.52 (US\$175,979.63) including value-added tax and disbursements in the amount of \$228.80 for the period of November 10, 2014 to August 27, 2015; and
- (d) Honghui fees in the total amount of \$107,085 (US\$82,372.90) including value-added tax and disbursements for the period of May 4, 2015 to May 31, 2017.

Reference: Fifth Report of the Receiver dated July 11, 2017 ("**Fifth Report**"), para 48

5. In support of its request for approval of the fees of its counsel Stikeman, the Receiver delivered the Affidavit of Brian Pukier sworn July 6, 2017, attached as Appendix T to the Fifth Report ("**Pukier Affidavit**") for the period April 12, 2014 (prior to the Receiver's appointment on August 20, 2014 and while the Receiver seeks approval of fees, Stikeman was counsel to Hanfeng Evergreen Inc.) to May 5, 2017. A Legal Costs Summary attached to the Pukier Affidavit indicated that 625.08 hours were spent by 27 lawyers and employees of Stikeman over the period. The Stikeman dockets contained 378 redactions, purportedly on the ground of solicitor-client privilege. No evidence has been filed to substantiate the applicability of any such privilege. Moreover, on review of the dockets, it is clear that most of the redacted entries cannot possibly disclose any legal advice. Rather, they would disclose, if the redactions were removed, the subject matter of the work

being undertaken by Stikeman which would enable an informal assessment of the quantum of the fees.

Reference: Pukier Affidavit
Fifth Report, paras 48 and 50

6. In support of its request for approval of the fees of its counsel Mayer Brown, the Receiver delivered the Affidavit of Robert Terence Kwong Shieng Tung sworn June 29, 2017 ("**Tung Affidavit**"), attached as Appendix U to the Fifth Report. A heavily redacted "Summary of Billing Hours" (215 redactions) attached to the Tung Affidavit indicates that 276.5 hours of time were spent for the period November 10, 2014 to August 27, 2015. The submissions with respect to the Stikeman dockets would apply equally to the Mayer Brown dockets.

Reference: Fifth Report, paras 48 and 51
Tung Affidavit

7. In support for its request for approval of the fees and disbursements of Honghui for the period May 4, 2015 to May 31, 2017, the Receiver relies on an unsworn statement of Mr. Guan ("**Guan Statement**"), signed June 23, 2017, attached as Appendix V to the Receiver's Fifth Report. The invoices attached to the Guan Statement are entirely in Chinese. No translation is provided. No detail as to the time spent, by which employees, and what work was being performed was attached.

Reference: Fifth Report, paras 48 and 52

8. In response to the Receiver's Motion, Xinduo Yu and Lei Li filed a Responding Motion Record which included the affidavit of Ms. Li sworn October 19, 2017 ("**Li Affidavit**"). Mr. Yu is the founder and former CEO of Hanfeng Evergreen Inc. ("**Hanfeng**" or the "**Company**"). Ms. Li is the spouse of Mr. Yu and was a director and officer of Hanfeng prior to February 2014. Directly or indirectly, they own and control approximately 20.4% of the common shares of Hanfeng and have an equity claim in the Receivership. Mr. Yu has a non-equity claim in the Receivership of \$125,000 which was disallowed just prior to receiving the Receiver's Motion. A Notice of Dispute has been filed. Mr. Yu and Ms. Li are also defendants in an action commenced by the Receiver in March 22, 2016. The Receiver now asserts this litigation is the primary asset in the Receivership.

Reference: Application Record dated August 14, 2014

Li Affidavit, paras 11, 12, 20, 28, Responding Parties' Motion Record ("RMR"), pp.7-12

9. Paragraphs 6 to 12 of the Li Affidavit sets out certain facts with respect to the fees being claimed. The balance of the Responding Motion referred to issues and disputes regarding certain actions taken and allegations made by the Receiver.

10. Following the delivery of the Responding Parties' Motion Record, counsel for the Respondents advised it wished to cross-examine Messrs. Pukier and Beekenkamp on their affidavits, and expressed concerns of the lack of any meaningful dockets on the information about E&Y fees. November 1 was tentatively set for the cross-examination. On October 30, 2017, the Receiver filed a second affidavit of Brent Beekenkamp sworn that same day ("**Supplemental Beekenkamp Affidavit**") which attached heavily redacted itemized dockets from the Receiver. These materials have 117 redactions. The submissions with respect to Stikeman's dockets apply equally to the Receiver's materials.

11. For reasons set out herein, it is the position of the Respondents that the material filed by Receiver does not provide sufficient information to allow the Court to properly consider the reasonableness of the fees, in accordance with the principles in *Bakemates International Inc.(Re)*, [2002] O.J. No. 3569 (C.A.). It is the further Respondents' position that the dockets which have been provided should have been delivered without redaction, or alternatively, subject only to redactions which are shown to be truly necessary to avoid disclosure of legal advice provided by Stikeman or Chinese legal counsel.

12. Without such disclosure, the Respondents submit that there is insufficient evidence produced to permit the careful scrutiny required in order to determine that the fees for which approval is sought are fair and reasonable and the services performed were of value to the Receivership.

13. In considering whether the approval should be denied, subject to a further and better material being provided, it is important to recognize that most of the aforementioned fees have already been paid, and there is no hardship to the Receiver should the motion be adjourned in order to ensure further and better materials are provided.

PART II – THE FACTS

14. On August 20, 2014, following Application by the Company, the court:

- (a) approved a share transfer agreement (the “**Share Transfer Agreement**”) dated August 8, 2014 and the transaction contemplated therein (the “**Share Transfer Transaction**”) providing for the sale of all the shares of Hanfeng Slow-Release Fertilizer Co., Ltd. (the “**Chinese Subsidiary**”) the Company’s wholly-owned subsidiary in China to Heilongjiang Harbin Pengcheng Fertilizer Co., Ltd. (“**the Purchaser**”), and
- (b) appointed E&Y as receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of the Company, and in particular, to complete the Share Transfer Transaction. (“**Appointment Order**”)

Reference: First Report of the Receiver dated September 12, 2014 (“**First Report**”), para 7 .
Application Record dated August 14, 2014

15. This history of the subsequent proceedings has been highly contentious, and has spawned litigation in China and in Canada. It is beyond the scope of this legal Factum to detail all of the issues that have arisen in these parallel proceedings. Suffice to say there are numerous serious issues in dispute between the Receiver and the Respondents and substantial overlap between many of the allegations contained in the Receiver’s various Reports, and the issues in the civil claims against Yu and Li.

(a) Stikeman Fees

16. The Receiver seeks approval for legal fees and disbursements of Stikeman for the period April 12, 2014 to May 5, 2017 in the total amount of \$471,223.57. Prior to the appointment of the Receiver on August 20, 2014, the Receiver was corporate counsel to Hanfeng and was involved in the Share Transfer Transaction. A chart compiling list of docket entries for the period ending August 19, 2014 is attached as Schedule 1 to this Factum. For the period ending August 19, 2014

103.81 hours were docketed (resulting in fees of \$66,200.70 plus HST of \$8,606.09 for a total of \$74,806.79).

Reference: Fifth Report, paras 48, 50
 Pukier Affidavit, Appendix T to the Fifth Report
 Pukier Affidavit, Exhibit C, Legal Costs Summary
 Schedule 1 Chart: Stikeman docket entries to August 19, 2014

17. The Legal Cost Summary attached to the Pukier Affidavit indicates that 625.08 hours were spent by 27 lawyers and employees of Stikemans over the period. The highest hourly rate appears to be that of Mr. Pukier at \$1,080. Mr. Pukier docketed 116.77 hours (the second highest number of hours docketed). The hourly rates of the other lawyers range from \$295 - \$925; the hourly rate range for students was \$270 - \$305, and for law clerks was \$270 - \$470. Mr. Pukier was cross-examined on his Affidavit on November 1, 2017 (**"Pukier Cross-Examination"**). Mr. Pukier (called to the Bar in 1994) stated that the rate charged by him was based on the normal rate charged for mergers and acquisitions matters. The highest hourly rate of Mr. Howard, a senior litigation/insolvency lawyer (called to the Bar in 1982), was \$925.

Reference: Fifth Report, paras 48, 50
 Pukier Affidavit, Appendix T to the Fifth Report
 Pukier Affidavit, Exhibit C, Legal Costs Summary
 Transcript of the Cross-Examination of Brian Pukier taken November 2, 2017 (**"Pukier Transcript"**), p.6, q.23 – p.7, q.29

18. The Stikeman time docket information was heavily redacted (378 sections) which obscure the work performed. As a result, the reader of the dockets is unable to determine whether the work and the related fees claimed are fair and reasonable and of value to the Receivership of the Company. A request for unredacted docket entries was made at the Pukier cross-examination. This request was refused. Overwhelmingly, the redacted entries are very brief, usually obscuring a word or two. These redactions could not possibly disclose legal advice. Rather, they would enable a proper understanding of the subject matter of the work performed, which in turn would show (for example) the extent of duplication between work performed by the twenty plus lawyers involved, as well as duplication between the lawyers' work and the Receiver's dockets.

Reference: Pukier Affidavit
 Pukier Transcript, p.14, q.57

(b) Legal Fees of the Chinese Law Firms

19. The Receiver also asked the court to approve the fees and disbursements of Mayer Brown for the period November 10, 2014 to August 27, 2015, for a total of RMB 1,078,387.55 (said to be converted to US dollars at an exchange rate of CAD\$1.30 = US\$1.00 in the amount of \$228,773.52 CAD, The fees are in the amount of RMB 1,900,740 (approximately \$214,210.35 CAD), and disbursements are in the amount of \$228.80 (approximately \$61.27 CAD).

Reference: Fifth Report, paras 48, 51

Affidavit of Robert Terence Kwong Shien Tung sworn June 29, 2017 ("**Tung Affidavit**"), para 5

20. A Summary of Billing Hours attached to the Tung Affidavit indicates that 276.5 hours were spent with an average hourly rate of RMB 3,651.86. The highest hourly rate was RMB 5,371.90. The docket summaries attached to the Tung Affidavit are heavily redacted (215 redactions) obscuring the work performed. As a result, a reader of the dockets is unable to determine what work was performed and whether the work, and the related fees claimed, are fair and reasonable and of value to the Receivership of the Company.

Reference: Tung Affidavit, Exhibit A

21. The Receiver also asks for approval of the fees and disbursements of Honghui for the period May 4, 2015 to May 31, 2017, total RMB \$526,254.21 (approximately \$107,085 CAD) including fees in the amount of RMB 393,205.87 (approximately \$80,011.04 CAD) and disbursements in the amount of RMB 121,254.21 (approximately \$24,673.40 CAD). No sworn affidavit in support of these fees has been served.

Reference: Fifth Report, paras 48, 52

22. The unsworn Guan Statement is attached as Appendix U to the Receiver's Fifth Report. The invoices attached to the Guan Statement are entirely in Chinese. No translation is provided. There is no information before the Court from Honghui as to the work it actually undertook in respect of the fees and disbursements claimed, the date on which services were rendered, the time expended and the fees charged. Questions asked at the Beekenkamp Cross-Examination pertaining to the engagement letter or letters with the Honghui firm were taken under advisement and have not been

provided as of the date of this Factum. Questions undertaken to be answered regarding the work of the Honghui firm have not been answered as of the date of this Factum.

Reference: Beekenkamp Transcript, p.119, q.473-474; p. 120, q.481; p.122, q.491; p.123, q.496; p.124, q.500

23. The Receiver does not have English translations of the Honghui invoices. Mr. Beekenkamp, as representative for the Receiver had no knowledge regarding the Honghui invoices.

Reference: Beekenkamp Transcript, p.115, q.453; p.117, q.466-467

(b) Receiver's Fees

24. In support of its request for approval of the Receiver's fees and disbursements, the Receiver delivered the Affidavit of Brent Beekenkamp sworn June 30, 2017, attached as Appendix S to the Fifth Report ("**Beekenkamp Affidavit**"). The fees for which approval is requested include time and services prior to its appointment on August 20, 2014. Neither itemized dockets nor support for disbursements were attached to the Affidavit. The Summary of Hourly Fees indicated that 1,613.13 hours were spent by 20 representatives of the Receiver over the period.

Reference: Beekenkamp Affidavit
Fifth Report, paras 48, 49

25. The Receiver requests approval of its fees and activities in respect of the period August 8, 2014 to April 28, 2017 in the amount of \$641,066.50 plus disbursements in the amount of \$15,331.57. The Receiver delivered the Beekenkamp Affidavit which provided summaries of the fees claimed and no information to identify the work done, when it was done and by whom. The Summary of Hourly Fees attached to the Beekenkamp Affidavit indicated that 1,613.3 hours were spent by 20 representatives of the Receiver. The highest hourly rate was \$575. According to the Summary, Mr. Allen Yao docketed 647 hours of that time at an hourly rate of \$425..

Reference: Fifth Report, paras 48 and 49
Beekenkamp Affidavit, Appendix S to the Fifth Report

26. In response to the delivery of the Responding Motion Record and the Li Affidavit, the Receiver delivered a Supplemental Affidavit of Brent Beekenkamp to attach heavily redacted docket entries. These dockets contain 117 redactions which extensively obscure the Receiver's

activities. As a result, the reader of the dockets is unable to determine what work was performed and whether the work, and the related fees claimed, are fair and reasonable and of value to the Receivership of the Company.

Reference: Supplemental Beekenkamp Affidavit, Exhibit A

27. Mr. Beekenkamp was cross-examined on his affidavits on November 2, 2017 (“**Beekenkamp Cross-Examination**”). The Receiver was asked to produce its unredacted dockets and refused to do so. Counsel for the Receiver asserted “privilege” as a reason for the refusal to but refused to identify the privilege being asserted or when litigation privilege would have first arisen.

Reference: Transcript of Brent Beekenkamp dated November 2, 2017 (“**Beekenkamp Transcript**”), p.5, q.14; p.7, q.20

28. The Receiver claims fees for work done commencing August 2, 2014. The Receiver was appointed on August 20, 2014. An undertaking was given to advise when the project “Asian Maple Shares Sale” file was opened. To the date of this Factum, that answer has not been provided. Between August 2 and August 19, 2014, 59.50 hours were docketed (resulting in fees of \$26,822.50 plus HST \$3,486.93). A chart compiling the fee claim for the Receiver’s dockets is attached as Schedule 2 to this Factum.

Reference: Beekenkamp Transcript, p.81, q.309
Schedule 2

29. The fees claimed by the Receiver are based on a calculation of docketed time multiplied by hourly rate. The sole redaction of time was 3.3 hours over three years, in relation to 1,613.3 docketed hours.

Reference: Beekenkamp Transcript, p.126, q.509 to p.127, q.516

30. There are numerous repetitive and/or identical docket entries which call into question the reliability of the docket entries. There are 182.0 repetitive and/or identical docket entries found in the dockets of Mr. Yao. Mr. Yao’s hourly rate was \$425. A chart compiling a list of these entries from the dockets of Mr. Yao is attached as Schedule 3 to this Factum. Numerous docket entries which refer to communications between Mayer Brown and the Receiver are not noted in the docket entries of Mayer Brown. A review of the entries found in the dockets of Mr. Yao indicates that

approximately half of the entries which refer to communications with Mayer Brown do not have a corresponding entry in the Mayer Brown dockets. A chart compiling a selection of these entries for which there is no corresponding Mayer Brown dockets is attached as Schedule 4 to this Factum. On the Beekenkamp Cross-Examination, questions were undertaken to be answered regarding these inconsistencies.

Reference: Beekenkamp Transcript, p.65, q.376

Schedule 3 Chart: Receiver dockets - Repetitive and/or identical entries

Schedule 4 Chart: Receiver docket entries for which there is no corresponding entry in the Mayer Brown dockets

31. The Beekenkamp, Pukier and Tung Affidavits and the Guan Statement do not contain any supporting documentation with respect to disbursements.

32. As of twelve noon on Friday morning, November 17, 2017, none of the undertakings, advisements or refusals arising from Mr. Beekenkamp's cross-examination on November 2 has been answered, and this Factum has, by necessity, been prepared without considering same.

PART III – ISSUES AND THE LAW: FEE APPROVAL

(a) Burden of Proof and Governing Principles for Approval of Fees

33. The Receiver is an officer of the Court and once appointed is a fiduciary for all creditors. As an officer of the Court, the Receiver has a duty of even-handedness that mirrors the court's own duty of fairness in the administration of justice.

Reference: *Bank of Nova Scotia v. Diemer (c.o.b. Cornacre Cattle Co.)*, [2014] O.J. No. 5731, para 31

34. The Receiver bears the burden of proving that the compensation for which it seeks approval is fair and reasonable including the claim on behalf of its counsel.

Reference: *Bank of Nova Scotia v. Diemer (c.o.b. Cornacre Cattle Co.)*, [2014] O.J. No. 5731, para 29
Re Bakemates International Inc. (2002), 164 O.A.C. 84, Leave to appeal refused [2002] S.C.C.A. No. 460, paras 31, 34

35. The governing principles in considering the amount of compensation to be awarded are that the compensation should be measured by the fair and reasonable value of the services and

that receivership should be administered as economically as reasonably possible. Allowances for services performed must be just, but nevertheless moderate rather than generous.

Reference: *Bakemates International Inc.(Re)*, [2002] O.J. No. 3569 (C.A.), para 44
Federal Business Development Bank v Belyea (1983), 44 NBR (2d) 248 (C.A.)

36. Value provided should predominate over the mathematical calculation reflected in the hours times hourly rate equation. The focus of the fair and reasonable assessment should be on what was accomplished, not on how much time it took.

Reference: *Bank of Nova Scotia v. Diemer (c.o.b. Cornacre Cattle Co.)*, [2014] O.J. No. 5731, para 45

37. The courts must employ careful scrutiny in determining whether the remuneration requested by a receiver is fair and reasonable in the context of the duties which the court has ordered the receiver to perform.

Reference: *Bakemates International Inc.(Re)*, [2002] O.J. No. 3569 (C.A.), para 41

38. Accounts must disclose in detail the name of each person who rendered services, the dates on which the services were rendered, the time expended each day, the rate charged and the total charges for each of the categories of services rendered. The accounts should be in a form that can be easily understood by those affected by the receivership or the Court so that such a determination can be made of the amount of time spent by the receiver's employees and its counsel in respect to the various discrete aspects of the receivership.

Reference: *Bakemates International Inc.(Re)*, [2002] O.J. No. 3569 (C.A.), paras 31 and 37
Bank of Nova Scotia v. Diemer (c.o.b. Cornacre Cattle Co.), [2014] O.J. No. 5731, para 32

39. An initial appointment order which provides that compensation is to be paid at standard rates and subsequent approval of Receiver's reports does not alter the requirement for the court to consider whether the fees claimed are fair and reasonable.

Reference: *Bank of Nova Scotia v. Diemer (c.o.b. Cornacre Cattle Co.)*, [2014] O.J. No. 5731, paras 48 and 49

40. The following factors are applicable to receiver's compensation:

- the nature, extent and value of the assets;
- the complications and difficulties encountered;

- the degree of assistance provided by the debtor;
- the time spent;
- the receiver's knowledge, experience and skill;
- the diligence and thoroughness displayed;
- the responsibilities assumed;
- the results of the receiver's efforts; and
- the cost of comparable services when performed in a prudent and economical manner.

These factors constitute a useful guideline but are not exhaustive. Other factors may be material depending on the circumstances of the receivership.

Reference: *Federal Business Development Bank v. Belyea* (1983), 44 NBR (2d) 248 (C.A.), para 9
Bank of Nova Scotia v. Diemer (c.o.b. Cornacre Cattle Co.), [2014] O.J. No. 5731, para 33
Re Bakemates International Inc. (2002), 164 O.A.C. 84, Leave to appeal refused [2002] S.C.C.A. No. 460, para 51

41. A receiver has no authority to retain counsel until it has been appointed as receiver by the court and is only entitled to compensation for legal fees relating to the conduct of the receivership.

Reference: *Grand Rapids Electrottype Co. v. Powers-Tyson Corp.*, 256 Mich. 311 (1931 Mich. S.C.) at p. 3 (Q.L.)

Summerland & District Credit Union v. 631523 B.C. Ltd., 2007 BCSC 63 at para. 6

(c) The Fees Claimed are Not Supportable on the Basis of the Information Provided

42. There is insufficient evidence before the Court to determine whether the fees claimed are fair and reasonable and the work done was of value in the Receivership. The time dockets filed are unreliable indicators of time spent and/or are insufficient to make a determination regarding whether the work performed was fair and reasonable and of value in the Receivership.

- (a) The Court is unable to scrutinize work and fees claimed for the work given the significant redactions and the invoices delivered in Chinese without translation;
- (b) The time docket entries are not reliable. Numerous identical and/or similar dockets are found in the Receiver docket summaries. Entries are made in the

Receiver's dockets which should, and don't, correspond with the Mayer Brown dockets;

- (c) The fees claimed on behalf of Mr. Pukier's work are based on a Mergers and Acquisitions rate not a litigation/insolvency rate; and
- (d) The fees claimed are a total of calculation of hourly rates multiplied by docketed time. The sole adjustment was of 3.3 hours over 1,613.3 hours of the Receiver's docket time entries.

Value of Work Performed by the Receiver and its Counsel

43. The Receiver was appointed for the primary purpose of completing the Share Transfer Transaction and to protect and realize on the assets of the Company. The Receiver has failed to fulfil this purpose and its actions have contributed to the excessive fees claimed. Serious disputes exist as to who is responsible for the issues which have plagued the Receivership, with the Receiver primarily blaming Yu and the Respondents denying any wrongdoing and raising issues about the Receiver's motions.

44. In this context, commencing upon receipt of the Fourth Report, the Respondents have asked the Receiver to provide information and documentation relevant to issues and difficulties which have arisen in respect of most of the matters referred to below – issues relating to, among other things, the reasonableness of the fees claimed. In virtually every case, the Receiver has refused to provide information and/or documentation which has been requested about the following matters:

- (1) The accuracy of the disclosure or lack of disclosure in the 4th and 5th Reports;
- (2) Yu's willingness (and wish) to resign as legal representative of Hanfeng China;
- (3) Allegations of failure to cooperate which the Respondents believed to be unsupported and inaccurate;
- (4) Information and documents about financial records apparently obtained by the Receiver from local management in China;
- (5) Information and documents about certain escrow funds and the steps taken or not taken by the Receiver in connection therewith;

- (6) Information and clarification about the Chinese regulatory rules and related matters;
- (7) The Receiver's decision (for apparently tactical reasons) to reject a claim filed by Yu under the Court sanctioned Claims process;
- (8) The (in)completeness of the postings on the Receiver's website;
- (9) The inquiries made and steps taken (or not taken) about the liquidation of Hanfeng China;
- (10) The details of certain dealings between the Receiver and Chinese regulatory authorities (HAIC) and related Court proceedings which were referred to but not reproduced in the Receiver's Reports.
- (11) Whether the Receiver had any actual documentation or evidence to substantiate certain of the allegations of misconduct against the Respondents contained in the 4th and 5th Reports;
- (12) Information and documentation regarding the Receiver's role and involvement in additional Chinese legal proceedings in relation to the deposit in issue therein, and,
- (13) Details of certain legal opinions referred to in the Receiver's Reports.

45. Moreover, although the Receiver Reports contend that it has spent considerable time and effort with respect to the preservation of certain escrow funds, investigations in relation to Yu and the Purchaser, ongoing attempts to secure, Yu's cooperation and related matters, and alternative options to realize upon the value of Hanfeng China, the dockets do not support this contention.

Additional Issues

(a) Receiver and Counsel Fees prior to Appointment

46. The Receiver seeks compensation for substantial legal fees incurred by Stikeman prior to the Receiver's appointment. These legal fees relate to legal services provided to the Company not legal services provided to the Receiver in respect of the carrying out of the receivership and it is submitted should not be approved by the Court in this motion. The Respondents have requested information about the total quantum of the Receivership fee billed by Stikeman prior to the Receivership order. This request was refused.

Reference: *Grand Rapids Electrotape Co. v. Powers-Tyson Corp.*, 256 Mich. 311 (1931 Mich. S.C.) at p. 3 (Q.L.)

Summerland & District Credit Union v. 631523 B.C. Ltd., 2007, BCSC 63 at para. 6

Pukier Affidavit, Exhibit A

Schedule 1 Chart: Stikeman docket entries to August 19, 2014

(b) Chinese Law Firms and Duplication of Effort

47. The Receiver seeks approval of the full amount of fees and disbursements of both its Chinese law firms without adjustment for fair value to the Receivership or an account of duplication of efforts.

48. Given the nature and form of the accounts rendered by Honghui, it is impossible for the Court to determine if the fees and disbursements charged are fair and reasonable or if they provided value to the Receivership. There is insufficient evidence to support the approval of the Honghui fees. The invoices produced are in Chinese and are without detail of the activities of the firm.

49. It is submitted that given the duplicative nature of the work performed, it is not fair or reasonable to approve the fees of both Chinese to be approved in their entirety. At paragraphs 43 to 47 of its factum, the Receiver describes the activities of Mayer Brown and Honghui. Both law firms provided advice and services with respect to the regulatory regime in China, negotiating with respect to the Escrow Agreement and discussions with the Escrow Bank, obtaining information with respect to the Purchaser, an application to change the director and legal representative of the Chinese Subsidiary, obtaining information relating to the Chinese Subsidiary's alleged indebtedness and of the Chinese litigation. As noted above, these are matters about which the Respondents sought information many months ago. The Receiver refused to provide it to them and continues to refuse to do so now.

50. Further, the Receiver asserts that Mayer Brown provided information in respect of the Chinese litigation. There are no dockets from that firm after August 27, 2015. The action commenced by the Purchaser was issued August 5, 2015. The Third Report of the Receiver was delivered September 24, 2015 and contained no reference to the Chinese proceedings.

(c) The Position of the Receiver and the Chinese Proceedings

51. The Receiver's position regarding its fees and disbursements appear to be as follows:

- (a) Pursuant to the original appointments, the Receiver has a priority over other claims in respect of its historical and future fees and disbursements:
- (b) this priority makes it permissible to deplete the deposit funds on hand under the Share Transfer Agreement so as to make it impossible to return the deposit to China, even if the ultimate outcome of the Chinese legal proceedings holds that this deposit must be returned to China.

52. This position has not been set out in the Motion Record or the Receiver Reports.

53. The Receiver apparently takes the above position notwithstanding the fact this it has actively participated in the Chinese legal proceedings relating to the deposit.

54. If the Chinese Courts order the deposit to be returned, and if it is not returned, Yu is concerned that he may be exposed to liability on a guarantee in relation to the Share Transfer Agreement, as a party to the Chinese legal proceedings, and (despite attempts by him to resign) by his continuing status as the legal representative of Hanfeng China.

55. The Respondents rely upon and support the principles set out in *Haunert-Faga v Faga*, [2013] O.J. No. 1171 (Brown J.) and *Greenwood Forest Products (1969) Ltd (Receiver-Manager of) v Newnes*, [1986] B.C.J. No. 1174 (B.C. Supreme Court). It is submitted the Receiver is at liberty to continue to pursue the litigation against the Respondents but if the Receiver does so, knowing that the estate of Hanfeng does not have sufficient funds, the Receiver should be personally responsible for any liabilities resulting from its decision to proceed.

56. The Receiver apparently does not accept these principles.

57. When and if the Receiver's fees are approved, any resulting order should affirm the above principles.

PART IV – ORDER REQUESTED

58. For the forgoing reasons, it is respectfully submitted that this Court should not permit any fee approval at this time and should either:

- (a) dismiss the application without prejudice to its renewal with full and complete disclosure, or,
- (b) refer the billing for assessment with the appropriate directions.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 14th day of November, 2017.



David C. Moore



Karen M. Mitchell

Lawyers for Xinduo Yu and Lei Li

SCHEDULE “A”

List of Authorities

1. *Bank of Nova Scotia v. Diemer (c.o.b. Cornacre Cattle Co.)*, [2014] O.J. No. 5731
2. *Re Bakemates International Inc.* (2002), 164 O.A.C. 84, Leave to appeal refused [2002] S.C.C.A. No. 460
3. *Bakemates International Inc. (Re)*, [2002] O.J. No. 3569 (C.A.)
4. *Federal Business Development Bank v Belyea* (1983), 44 NBR (2d) 248 (C.A.)
5. *Summerland & District Credit Union v. 631523 B.C. Ltd.*, 2007 BCSC 63
6. *Grand Rapids Electrotpe Co. v. Powers-Tyson Corp.*, 256 Mich. 311 (1931 Mich. S.C.) at p. 3 (Q.L.)
7. *Haunert-Faga v Faga*, [2013] O.J. No. 1171 (Brown J.)
8. *Greenwood Forest Products (1969) Ltd (Receiver-Manager of) v Newnes*, [1986] B.C.J. No. 1174 (B.C. Supreme Court)

SCHEDULE "B"
Statutes and Regulations

SCHEDULE "1"

CHART OF STIKEMAN ELLIOTT LEGAL FEES INCURRED BETWEEN AUGUST 1 - 19, 2014

Date	Timekeeper	Hours	Rate (per hour)	Fee
01/08/2014	P.F. Howard	0.50	\$900.00	\$450.00
01/08/2014	Y. Katirai	3.92	\$465.00	\$1,822.80
07/08/2014	M/A. Garcia	0.37	\$270.00	\$99.90
08/08/2014	S. Delvecchio	0.75	\$375.00	\$281.25
08/08/2014	Y. Katirai	5.25	\$465.00	\$2,441.25
09/08/2014	Y. Katirai	0.25	\$465.00	\$116.25
10/08/2014	Y. Katirai	2.50	\$465.00	\$1,162.50
11/08/2014	Y. Katirai	10.28	\$465.00	\$4,780.20
11/08/2014	B.M. Pukier	2.00	\$975.00	\$1,950.00
11/08/2014	C. Qi	0.47	\$440.00	\$206.80
12/08/2014	M. Devereux	0.17	\$580.00	\$98.60
12/08/2014	P.F. Howard	1.50	\$900.00	\$1,350.00
12/08/2014	Y. Katirai	5.50	\$465.00	\$2,557.50
12/08/2014	M. Konyukhova	2.58	\$610.00	\$1,573.80
12/08/2014	B.M. Pukier	1.67	\$975.00	\$1,628.25
12/08/2014	C. Qi	0.75	\$440.00	\$330.00
13/08/2014	M. Devereux	0.33	\$580.00	\$191.40
13/08/2014	P.F. Howard	2.50	\$900.00	\$2,250.00
13/08/2014	Y. Katirai	7.75	\$465.00	\$3,603.75
13/08/2014	M. Konyukhova	4.58	\$610.00	\$2,793.80
13/08/2014	B.M. Pukier	1.33	\$975.00	\$1,296.75
13/08/2014	C. Qi	1.60	\$440.00	\$704.00
13/08/2014	C. Qi	0.93	\$440.00	\$409.20
14/08/2014	M. Devereux	0.33	\$580.00	\$191.40
14/08/2014	P.F. Howard	4.00	\$900.00	\$3,600.00
14/08/2014	M. Konyukhova	5.92	\$610.00	\$3,611.20
14/08/2014	B.M. Pukier	3.75	\$975.00	\$3,656.25
15/08/2014	S. Delvecchio	1.33	\$375.00	\$498.75
15/08/2014	M. Devereux	4.25	\$580.00	\$2,465.00
15/08/2014	P.F. Howard	3.50	\$900.00	\$3,150.00
15/08/2014	M. Konyukhova	6.58	\$610.00	\$4,013.80
15/08/2014	B.M. Pukier	2.50	\$975.00	\$2,437.50
18/08/2014	P.F. Howard	1.00	\$900.00	\$900.00
18/08/2014	M. Konyukhova	1.42	\$610.00	\$866.20
19/08/2014	M. Devereux	0.58	\$580.00	\$336.40
19/08/2014	P.F. Howard	3.50	\$900.00	\$3,150.00
19/08/2014	M. Konyukhova	6.17	\$610.00	\$3,763.70
19/08/2014	B.M. Pukier	1.50	\$975.00	\$1,462.50
TOTALS		103.81		\$66,200.70
HST ON FEES (13%)				\$8,606.09
TOTAL FEES AND HST				\$74,806.79

SCHEDULE "2"

CHART OF ERNST & YOUNG INC. FEES INCURRED BETWEEN AUGUST 1 - 19, 2014

Date	Timekeeper	Hours	Rate (per hour)	Fee
12/08/2014	Bear, Cam	0.40	\$225.00	\$90.00
13/08/2014	Bear, Cam	1.00	\$225.00	\$225.00
13/08/2014	Bear, Cam	0.30	\$225.00	\$67.50
14/08/2014	Bear, Cam	0.50	\$225.00	\$112.50
15/08/2014	Bear, Cam	0.20	\$225.00	\$45.00
15/08/2014	Bear, Cam	1.50	\$225.00	\$337.50
02/08/2014	Beckenkamp, Brent	0.70	\$525.00	\$367.50
05/08/2014	Beckenkamp, Brent	1.50	\$525.00	\$787.50
07/08/2014	Beckenkamp, Brent	1.50	\$525.00	\$787.50
08/08/2014	Beckenkamp, Brent	0.80	\$525.00	\$420.00
12/08/2014	Beckenkamp, Brent	0.30	\$525.00	\$157.50
13/08/2014	Beckenkamp, Brent	0.40	\$525.00	\$210.00
13/08/2014	Carandang, Maritas	0.20	\$225.00	\$45.00
13/08/2014	Ferguson, Robert	1.50	\$225.00	\$337.50
05/08/2014	Hussain, Jodat	3.50	\$425.00	\$1,487.50
06/08/2014	Hussain, Jodat	3.90	\$425.00	\$1,657.50
07/08/2014	Hussain, Jodat	6.10	\$425.00	\$2,592.50
08/08/2014	Hussain, Jodat	2.10	\$425.00	\$892.50
11/08/2014	Hussain, Jodat	1.80	\$425.00	\$765.00
12/08/2014	Hussain, Jodat	4.80	\$425.00	\$2,040.00
13/08/2014	Hussain, Jodat	1.20	\$425.00	\$510.00
14/08/2014	Hussain, Jodat	3.40	\$425.00	\$1,445.00
15/08/2014	Hussain, Jodat	3.70	\$425.00	\$1,572.50
12/08/2014	Kan, Philip	0.80	\$225.00	\$180.00
13/08/2014	Kan, Philip	0.50	\$225.00	\$112.50
14/08/2014	Kan, Philip	0.30	\$225.00	\$67.50
15/08/2014	Kan, Philip	0.10	\$225.00	\$22.50
29/07/2014	McDonald, Murray	0.50	\$575.00	\$287.50
29/07/2014	McDonald, Murray	0.50	\$575.00	\$287.50
31/07/2014	McDonald, Murray	0.50	\$575.00	\$287.50
05/08/2014	McDonald, Murray	1.50	\$575.00	\$862.50
05/08/2014	McDonald, Murray	0.50	\$575.00	\$287.50
06/08/2014	McDonald, Murray	2.00	\$575.00	\$1,150.00
06/08/2014	McDonald, Murray	2.50	\$575.00	\$1,437.50
06/08/2014	McDonald, Murray	0.50	\$575.00	\$287.50
07/08/2014	McDonald, Murray	0.50	\$575.00	\$287.50
07/08/2014	McDonald, Murray	0.50	\$575.00	\$287.50
07/08/2014	McDonald, Murray	1.00	\$575.00	\$575.00
07/08/2014	McDonald, Murray	0.50	\$575.00	\$287.50
08/08/2014	McDonald, Murray	1.00	\$575.00	\$575.00
12/08/2014	McDonald, Murray	0.50	\$575.00	\$287.50
12/08/2014	McDonald, Murray	0.50	\$575.00	\$287.50
12/08/2014	McDonald, Murray	0.50	\$575.00	\$287.50
13/08/2014	McDonald, Murray	0.50	\$575.00	\$287.50
14/08/2014	McDonald, Murray	0.50	\$575.00	\$287.50
15/08/2014	McDonald, Murray	1.50	\$575.00	\$862.50
18/08/2014	McDonald, Murray	0.50	\$575.00	\$287.50
TOTALS		59.50		\$26,822.50
HST ON FEES (13%)				\$3,486.93
TOTAL FEES AND HST				\$30,309.43

SCHEDULE "3"

SELECTION OF IDENTICAL OR REPETITIVE DOCKET ENTRIES FROM ALLAN YAO (ERNST & YOUNG INC.) REFERRING TO MAYER BROWN

Date	Hours	Description	Corresponding same-date Mayer Brown Docket entry referring to Allan Yao? (Yes / No)
08/12/2014	1.50	Emails w Mayor Brown [sic], call w Yu, internal discussion & update	No
09/12/2014	1.00	Emails w Mayor Brown [sic], call w Yu, internal discussion & update	Yes
08/01/2015	2.00	review of PC's response, call with MB, email, call with Yu, email to PC	No
09/01/2015	1.00	review of PC's response, call with MB, email, call with Yu, email to PC	Yes
19/01/2015	0.50	follow up, review of PC response, internal emails, instructions to MB, call w [sic]	Yes
20/01/2015	2.50	follow up, review of PC response, internal emails, instructions to MB, call w [sic]	No
21/01/2015	1.50	Review of PC response, call w Yu, internal update and discussion, updated timeline, instruction to Yu and MB, various emails	Yes
22/01/2015	0.50	Review of PC response, call w Yu, internal update and discussion, updated timeline, instruction to Yu and MB, various emails	Yes
26/01/2015	0.80	follow up with MB, Mr. Yu, PC, internal update	No
28/01/2015	0.60	follow up with MB, Mr. Yu, PC, internal update	No
29/01/2015	0.50	follow up with MB, Mr. Yu, PC, internal update	Yes
30/01/2015	0.50	follow up with MB, Mr. Yu, PC, internal update	Yes
02/02/2015	0.5	follow up with MB, Mr. Yu, PC, internal update, agreement	No
04/02/2015	0.5	follow up with MB, Mr. Yu, PC, internal update, agreement	No
05/02/2015	0.5	follow up with MB, Mr. Yu, PC, internal update, agreement	No
09/02/2015	0.5	follow up with MB, Mr. Yu, PC, internal update, agreement, drafted report	No
10/02/2015	0.60	follow up with MB, Mr. Yu, PC, internal update, agreement, drafted report	No
11/02/2015	2.00	follow up with MB, Mr. Yu, PC, internal update, agreement, drafted report	No
13/02/2015	0.30	report	Yes
28/04/2015	0.50	Emails to MB, PC, Yu, EY China, internal update & discussion, review of the information sent,	Yes
29/04/2015	1.50	Emails to MB, PC, Yu, EY China, internal update & discussion, review of the information sent,	Yes
30/04/2015	0.40	Emails to MB, PC, Yu, EY China, internal update & discussion, review of the information sent,	Yes
03/05/2015	0.60	Agenda, meeting with Yu, emails to MB, Yu and the Sub, call with MB,	No
04/05/2015	4.00	Agenda, meeting with Yu, emails to MB, Yu and the Sub, call with MB,	No
05/05/2015	1.20	Emails to Yu, MB, call with MB and Yu	Yes
06/05/2015	1.20	Emails to Yu, MB, call with MB and Yu	Yes
08/06/2015	0.50	emails and coordination with Mr. Guan and MB, director appointment document, emails/calls with the Sub and Mr. Yu	Yes
09/06/2015	1.50	emails and coordination with Mr. Guan and MB, director appointment document, emails/calls with the Sub and Mr. Yu	No
29/07/2015	4.00	emails to Yu, coordinated with RK, Mr. Guan, and MB, letter from Mr. Guan re legal rep, translation, supplemental report, calls/emails w Stikemans	Yes
30/07/2015	2.50	emails to Yu, coordinated with RK, Mr. Guan, and MB, letter from Mr. Guan re legal rep, translation, supplemental report, calls/emails w Stikemans	No

TOTAL NUMBER OF "YES" ENTRIES: 15

TOTAL NUMBER OF "NO" ENTRIES: 15

SCHEDULE "4"

CHART OF IDENTICAL OR REPETITIVE DOCKET ENTRIES FROM ALLAN YAO (ERNST & YOUNG INC.)

Date	Hours	Description
23/09/2014	3.00	Emails re Chinese ad, internal discussions, updated translation, follow up
24/09/2014	1.50	Emails re Chinese ad, internal discussions, updated translation, follow up
28/09/2014	0.40	calls & emails w Mr. Yu and Jodat re 2nd wire, Chinese Ad
29/09/2014	0.40	calls & emails w Mr. Yu and Jodat re 2nd wire, Chinese Ad
01/10/2014	0.80	calls & emails w Mr. Yu and Jodat re 2nd wire, Chinese Ad
07/10/2014	0.30	calls & emails w Mr. Yu, Jodat
08/10/2014	1.20	calls & emails w Mr. Yu, Jodat
09/10/2014	0.50	call w Lei, Jodat, Mr. Yu
10/10/2014	0.20	call w Lei, Jodat, Mr. Yu
19/10/2014	0.80	conference call, variolus [sic] internal and emails with HF China and Mr Yu
20/10/2014	1.10	conference call, variolus [sic] internal and emails with HF China and Mr Yu
21/10/2014	0.50	conference call, variolus [sic] internal and emails with HF China and Mr Yu
22/10/2014	0.30	conference call, variolus [sic] internal and emails with HF China and Mr Yu
23/10/2014	0.20	conference call, variolus [sic] internal and emails with HF China and Mr Yu
24/10/2014	0.40	conference call, variolus [sic] internal and emails with HF China and Mr Yu
		follow up re wire, call w Jodat, Mr. Yu, emails with accounting manager and Jana re cash
27/10/2014	0.50	balance and notarized documents
		follow up re wire, call w Jodat, Mr. Yu, emails with accounting manager and Jana re cash
28/10/2014	0.60	balance and notarized documents
		follow up re wire, call w Jodat, Mr. Yu, emails with accounting manager and Jana re cash
31/10/2014	0.80	balance and notarized documents
06/11/2014	1.00	Call w Pengcheng, review of SAFE documents, emails & internal discussions
07/11/2014	2.50	Call w Pengcheng, review of SAFE documents, emails & internal discussions
12/11/2014	0.50	emails, call with BEA, internal discussion, call w Mr. Yu
13/11/2014	0.50	emails, call with BEA, internal discussion, call w Mr. Yu
14/11/2014	1.50	emails, call with BEA, internal discussion, call w Mr. Yu
08/12/2014	1.50	Emails w Mayor Brown [sic], call w Yu, internal discussion & update
09/12/2014	1.00	Emails w Mayor Brown [sic], call w Yu, internal discussion & update
08/01/2015	2.00	review of PC's response, call with MB, email, call with Yu, email to PC
09/01/2015	1.00	review of PC's response, call with MB, email, call with Yu, email to PC
13/01/2015	1.00	Response to inquiries, letter to Guido, disbursements
14/01/2015	0.30	Response to inquiries, letter to Guido, disbursements
19/01/2015	0.50	follow up, review of PC response, internal emails, instructions to MB, call w [sic]
20/01/2015	2.50	follow up, review of PC response, internal emails, instructions to MB, call w [sic]
		Review of PC response, call w Yu, internal update and discussion, updated timeline,
21/01/2015	1.50	instruction to Yu and MB, various emails
		Review of PC response, call w Yu, internal update and discussion, updated timeline,
22/01/2015	0.50	instruction to Yu and MB, various emails
26/01/2015	0.80	follow up with MB, Mr. Yu, PC, internal update
28/01/2015	0.60	follow up with MB, Mr. Yu, PC, internal update
29/01/2015	0.50	follow up with MB, Mr. Yu, PC, internal update
30/01/2015	0.50	follow up with MB, Mr. Yu, PC, internal update
02/02/2015	0.5	follow up with MB, Mr. Yu, PC, internal update, agreement
04/02/2015	0.5	follow up with MB, Mr. Yu, PC, internal update, agreement
05/02/2015	0.5	follow up with MB, Mr. Yu, PC, internal update, agreement
09/02/2015	0.5	follow up with MB, Mr. Yu, PC, internal update, agreement, drafted report
10/02/2015	0.60	follow up with MB, Mr. Yu, PC, internal update, agreement, drafted report

11/02/2015	2.00	follow up with MB, Mr. Yu, PC, internal update, agreement, drafted report
13/02/2015	0.30	follow up with MB, Mr. Yu, PC, internal update, agreement, drafted report
17/02/2015	0.70	Follow up, internal discussion, review correspondence from Gildo,
20/02/2015	0.30	Follow up, internal discussion, review correspondence from Gildo,
24/02/2015	0.70	Follow up, internal discussion, review correspondence from Gildo,
27/02/2015	0.30	Follow up, internal discussion, review correspondence from Gildo,
02/03/2015	1.80	scenario analysis, call, shareholder inquiries
04/03/2015	0.70	scenario analysis, call, shareholder inquiries
06/03/2015	0.30	Follow up, internal discussion, review correspondence from Gildo,
10/03/2015	0.20	emails, call with PC and Yu, internal discussion
11/03/2015	0.80	emails, call with PC and Yu, internal discussion
16/03/2015	4.00	draed court eport [sic], emails & calls with Yu, PC and accounting manager
15/03/2015	5.00	draed court eport [sic], emails & calls with Yu, PC and accounting manager
15/04/2015	0.50	Follow up on the 2nd deposit, internal update
16/04/2015	0.20	Follow up on the 2nd deposit, internal update
22/04/2015	0.80	Follow up, invitation letter, emails,
23/04/2015	0.20	Follow up, invitation letter, emails,
		Emails to MB, PC, Yu, EY China, internal update & discussion, review of the information
28/04/2015	0.50	sent,
		Emails to MB, PC, Yu, EY China, internal update & discussion, review of the information
29/04/2015	1.50	sent,
		Emails to MB, PC, Yu, EY China, internal update & discussion, review of the information
30/04/2015	0.40	sent,
03/05/2015	0.60	Agenda, meeting with Yu, emails to MB, Yu and the Sub, call with MB,
04/05/2015	4.00	Agenda, meeting with Yu, emails to MB, Yu and the Sub, call with MB,
05/05/2015	1.20	Emails to Yu, MB, call with MB and Yu
06/05/2015	1.20	Emails to Yu, MB, call with MB and Yu
11/05/2015	1.30	Follow up with Yu, email to PC, internal discussion, emails w Hanfeng Heilongjiang
12/05/2015	1.30	Follow up with Yu, email to PC, internal discussion, emails w Hanfeng Heilongjiang
		emails and coordination with Mr. Guan and MB, director appointment document,
08/06/2015	0.50	emails/calls with the Sub and Mr. Yu
		emails and coordination with Mr. Guan and MB, director appointment document,
09/06/2015	1.50	emails/calls with the Sub and Mr. Yu
18/06/2015	1.00	Email to Guan, internal discussion
19/06/2015	1.00	Email to Guan, internal discussion
25/06/2015	2.20	[redacted] email/calls with Guan, internal discussion, email to PC
26/06/2015	1.50	[redacted] email/calls with Guan, internal discussion, email to PC
		Coordinated with Sub and Guan re change of director, investigation re PC, conference calls,
29/06/2015	1.50	internal update
		Coordinated with Sub and Guan re change of director, investigation re PC, conference calls,
30/06/2015	2.00	Internal update
02/07/2015	6.00	Call w RK, engagement letter, drafted report, internal discussion, call w Stikemans
03/07/2015	7.00	Call w RK, engagement letter, drafted report, internal discussion, call w Stikemans
		Internal discussion, meeting with RK, engagement letter, provided information to RK,
07/07/2015	1.00	report
		Internal discussion, meeting with RK, engagement letter, provided information to RK,
08/07/2015	2.00	report
		Internal discussion, meeting with RK, engagement letter, provided information to RK,
09/07/2015	3.00	report

20/07/2015	9.00	review of Harbin court materials, summaries, emails, discussion, supplemental report
21/07/2015	4.00	review of Harbin court materials, summaries, emails, discussion, supplemental report
22/07/2015	6.00	email, response to PC emails, call with Guan, letter to the bank, revised report, review and translation of PC's
23/07/2015	2.00	email, response to PC emails to Yu, coordinated with RK, Mr. Guan, and MB, letter from Mr. Guan re legal rep,
29/07/2015	4.00	translation, supplemental report, calls/emails w Stikemans emails to Yu, coordinated with RK, Mr. Guan, and MB, letter from Mr. Guan re legal rep,
30/07/2015	2.50	translation, supplemental report, calls/emails w Stikemans
11/08/2015	1.00	emails to Yu and Sub, Rk [sic] and Guan, drafted letter [redacted]
12/08/2015	2.50	emails to Yu and Sub, Rk [sic] and Guan, drafted letter [redacted]
17/08/2015	4.00	3rd report
18/08/2015	4.00	3rd report
19/08/2015	2.50	3rd report
21/08/2015	0.50	3rd report
24/08/2015	1.00	Call with Guan, legal opinion
25/08/2015	3.00	Call with Guan, legal opinion
31/08/2015	0.50	Emails with RK, Guan
01/09/2015	0.50	Emails with RK, Guan
03/09/2015	0.30	Emails with RK, Guan
10/09/2015	2.00	legal opinion [sic], discussion, call w RK
11/09/2015	4.00	legal opinion [sic], discussion, call w RK
16/09/2015	2.00	Calls/emails w RK, review of update from RK, internal discussion, 3rd report
17/09/2015	1.00	Calls/emails w RK, review of update from RK, internal discussion, 3rd report
18/09/2015	2.00	Calls/emails w RK, review of update from RK, internal discussion, 3rd report
21/09/2015	0.80	revised report, legal opinion [sic], call/email Guan
22/09/2015	1.00	revised report, legal opinion [sic], call/email Guan
23/09/2015	3.50	revised report, legal opinion [sic], call/email Guan
24/09/2015	1.00	revised report, legal opinion [sic], call/email Guan
25/09/2015	0.30	revised report, legal opinion [sic], call/email Guan
22/10/2015	1.50	internal discussion, calls with RK and Guan, review of documents, [redacted], emails
23/10/2015	0.50	internal discussion, calls with RK and Guan, review of documents, [redacted], emails
25/10/2015	1.00	litigation internal update and discussions [sic], prepared court materials and notarization re China
26/10/2015	1.50	litigation internal update and discussions [sic], prepared court materials and notarization re China
27/10/2015	2.00	litigation internal update and discussions [sic], prepared court materials and notarization re China
03/11/2015	0.50	calls with RK and Guan, email
04/11/2015	0.50	calls with RK and Guan, email
17/11/2015	0.80	calls and emails with Guan and RK re Yu letter, internal discussions,
18/11/2015	0.70	calls and emails with Guan and RK, internal discussions
20/11/2015	1.50	[blank entry, no description provided]
25/11/2015	0.20	calls and emails with Guan and RK, internal discussions
01/12/2015	0.50	calls and emails with Guan and RK, internal discussions,
02/12/2015	0.20	calls and emails with Guan and RK, internal discussions,
07/12/2015	0.20	[blank entry, no description provided]
13/12/2015	1.00	meeting with RK, internal discussions, emails

14/12/2015	0.10 meeting with RK, internal discussions, emails
16/12/2015	0.10 meeting with RK, internal discussions, emails
25/04/2016	2.60 Call with RK and Guan, internal update email
28/04/2016	1.20 calls with RK and Guan, update emails
13/07/2016	1.00 Internal discussion and emails with Stikemans
19/07/2016	0.20 internal discussion and email with Stikes
25/07/2016	2.00 Internal update and discussion, email
TOTAL HOURS	182.00