

**THE KING'S BENCH  
WINNIPEG CENTRE**

**IN THE MATTER OF THE RECEIVERSHIP OF  
NYGARD HOLDINGS (USA) LIMITED, NYGARD INC.,  
FASHION VENTURES, INC., NYGARD NY RETAIL, LLC,  
NYGARD ENTERPRISES LTD., NYGARD PROPERTIES LTD.  
4093879 CANADA LTD., 4093887 CANADA LTD., AND  
NYGARD INTERNATIONAL PARTNERSHIP**

**RICHTER INC. (FORMERLY, RICHTER ADVISORY GROUP INC.)  
SUPPLEMENTARY THIRTEENTH REPORT OF THE RECEIVER**

**OCTOBER 26, 2022**

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## I. INTRODUCTION

1. On March 18, 2020 pursuant to an order (the “**Receivership Order**”) of the Court of Queen’s Bench (now the Court of King’s Bench) (Winnipeg Centre) (the “**Manitoba Court**”) made in Court File No. CI 20-01-26627 (the “**Canadian Proceedings**”), Richter Inc. (formerly, Richter Advisory Group Inc.) (“**Richter**”) was appointed as receiver (in such capacity, the “**Receiver**”) of the assets, undertakings and properties (the “**Property**”) of Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc., Nygard NY Retail, LLC (collectively, the “**US Debtors**”), Nygard Enterprises Ltd. (“**NEL**”), Nygard International Partnership (“**NIP**”), Nygard Properties Ltd. (“**NPL**”), 4093879 Canada Ltd. (“**879**”), and 4093887 Canada Ltd. (“**887**”, and together with NEL, NIP, NPL and 879, the “**Canadian Debtors**”) (the US Debtors and the Canadian Debtors together, the “**Nygard Group**” or the “**Debtors**”) to exercise the powers and duties set out in the Receivership Order, pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, (the “**BIA**”) and section 55 of *The Court of Queen’s Bench Act*, C.C.S.M. c.C280.
2. The Receivership Order was granted pursuant to an application made by White Oak Commercial Finance, LLC, (“**White Oak**”) as administrative agent and collateral agent for and on behalf of White Oak and Second Avenue Capital Partners, LLC (collectively, the “**Lenders**”), pursuant to security held by the Lenders in the Property of the Debtors provided in connection with a certain loan transaction and a revolving credit facility (the “**Credit Facility**”) provided thereunder.
3. The Credit Facility was provided to the Debtors pursuant to a credit agreement dated December 30, 2019, which is attached as Exhibit “D” to the Affidavit of Robert Dean affirmed March 9, 2020, and filed in these proceedings.
4. Also on March 18, 2020, the Receiver, as the duly appointed foreign of the Debtors, commenced proceedings in the United States Bankruptcy Court for the Southern District of New York (the “**U.S. Court**”) by filing, among other things, petitions on behalf of the Receiver in relation to the Debtors pursuant to sections 1504 and 1515 of the US Bankruptcy Code seeking recognition by the U.S. Court of the Canadian Proceedings as a foreign main proceeding (the “**Chapter 15 Proceedings**”). On March 26, 2020, the U.S. Court entered, among other things, a provisional recognition order and, on April 23, 2020, the U.S. Court granted a final order recognizing, among other things, the Canadian Proceedings as the foreign main proceeding. The Canadian Proceedings and the Chapter 15 Proceedings are together hereinafter referred to as the “**Receivership Proceedings**”.
5. On April 29, 2020, the Manitoba Court made various Orders, including an Order (the “**Sale Approval Order**”) which, among other things, approved a consulting and marketing services agreement between the Receiver and a contractual joint venture comprised of Merchant Retail Solutions, ULC, Hilco Merchant Resources, LLC, Hilco

IP Services, LLP dba Hilco Streambank, and Hilco Receivables, LLC (“**Hilco**”), and White Oak, pursuant to which Hilco will provide certain consulting, marketing and related asset disposition services. In addition, as it appeared that a going concern or “en-bloc” sale of the Nygard Group’s assets was not likely, the Sale Approval Order authorized the Receiver to liquidate the Nygard Group’s retail inventory and owned furniture, fixtures and equipment through temporarily re-opened stores (the “**Liquidation Sale**”), as soon as circumstances permit. As certain details regarding the Liquidation Sale of particular importance to landlords of the Nygard Group’s retail stores (the “**Landlords**”) were not capable of being known with any precision or certainty at that time (given COVID-19 restrictions on non-essential business activities), the Sale Approval Order set out a process that required the Receiver to obtain a further order of the Manitoba Court addressing certain specified matters prior to commencement of the Liquidation Sale.

6. On April 29, 2020, the Manitoba Court made two (2) further Orders: (i) an Order (the “**General Order**”) addressing, among other things, various general matters, including certain amendments to the Receivership Order (limiting the scope of the Receivership Order in relation to the property, assets and undertakings of NEL and NPL) and the procedure for landlord access to properties leased to Nygard Inc. by certain non-Debtor members of the Nygard organization, and (ii) an Order establishing the protocol for requesting access to and / or production of documents and electronic files purported to be in the possession or control (or subject to the possession or control) of the Receiver by certain non-Debtor members of the Nygard Organization (as defined in the Receiver’s First Report dated April 20, 2020) or directors, officers and employees of the Nygard Group.
7. On May 15, 2020, Edson’s Investments Inc. (“**Edson’s**”) and Brause Investments Inc. (“**Brause**” and collectively with Edson’s, the “**Gardena Landlords**”) filed a notice of motion (the “**Gardena Motion**”) with the Manitoba Court for an order requiring the Receiver to, among other things, lift the stay of proceedings granted by the Manitoba Court in these proceedings so that the Gardena Landlords may terminate leases for properties located in Gardena, California at 312 and 332 East Rosecrans Avenue (“**East Rosecrans**”), 14401 South San Pedro Street (“**14401**”), and 14421 South San Pedro Street (“**14421**” and together with East Rosecrans and 14401, the “**California Properties**”) for failure of the Receiver to pay occupancy rent and retake possession of the California Properties. The Gardena Motion did not proceed as a result of the E/B Settlement Agreement (as hereinafter defined), which was dealt with in the Receiver’s Seventh Report dated September 10, 2020.
8. On June 2, 2020, as required by the Sale Approval Order and in anticipation of commencing the Liquidation Sale, where permitted to do so (taking into consideration local public health orders and related COVID-19 restrictions), the Manitoba Court made an Order addressing certain Landlord matters in relation to the conduct of the Liquidation Sale.

9. On June 30, 2020, the Manitoba Court made an Order approving, among other things, the sale of certain NPL real property located at 1300, 1302 and 1340 Notre Dame Avenue and 1440 Clifton Street in Winnipeg, Manitoba.
10. On June 30, 2020, the Manitoba Court also made an Order approving, among other things, the terms of an agreed Settlement Agreement and Release of Claims between the Receiver and Dillard's Inc.
11. On August 10, 2020, the Manitoba Court made an Order approving, among other things, the sale of certain NPL real property located at 1 Niagara Street in Toronto, Ontario.
12. On September 15, 2020, the Manitoba Court made an Order approving, among other things, the terms of a settlement agreement (the "**E/B Settlement Agreement**") between the Receiver, the Gardena Landlords, the Lenders, NPL, and Mr. Peter J. Nygard ("**PJN**") and other members of the Nygard Organization.
13. Also, on September 15, 2020, the Manitoba Court made an Order (the "**NOI Withdrawal Order**") withdrawing the NOI Proceedings (as defined in the NOI Withdrawal Order) in accordance with the E/B Settlement Agreement.
14. On October 21, 2020, the Manitoba Court made an Order approving, among other things, the abandonment of certain documents and property located in the California Properties and the Nygard Group retail stores.
15. On November 19, 2020, the Manitoba Court made an Order (the "**Inkster Approval and Vesting Order**") approving, among other things, the sale of certain NPL real property located at 1771 Inkster Blvd, Winnipeg Manitoba (the "**Inkster Property**") and authorizing the Receiver to make such arrangements as it considered reasonable and appropriate for the preservation of over 5,000 boxes of physical documents (the "**Physical Records**"), and the data (the "**Electronic Records**") and programs (the "**Programs**") stored or accessible on the Nygard Group's central information technology system (the "**IT System**", and together with the Physical Records, Electronic Records and Programs, the "**Records**").
16. On November 27, 2020, the Nygard Group appealed certain of the relief granted pursuant to the Inkster Approval and Vesting Order, including the authorization of the sale of the Inkster Property (the "**Inkster Appeal**").
17. On December 8, 2020, the Manitoba Court provided additional direction and clarification of the Order pronounced on November 19, 2020, in respect of the preservation of the Records as well as the provision of certain Electronic Records to the Debtors and/or PJN. The Receiver considers that the direction of the Manitoba Court as to those matters is properly described within the Inkster Approval and Vesting Order.

18. On December 31, 2020, the Manitoba Court of Appeal (the “**Court of Appeal**”) made an Order (the “**Lift Stay Order**”) cancelling any stay imposed as a result of section 195 of the BIA with respect to the Inkster Approval and Vesting Order.
19. Subsequent to the making of the Lift Stay Order, on January 8, 2021, the Debtors discontinued the Inkster Appeal, which the Receiver agreed to accept on a without costs basis.
20. On January 28, 2021, the Manitoba Court made an Order approving, among other things, the sale of certain NPL real property located at 702 and 708 Broadway Avenue in Winnipeg, Manitoba.
21. On March 3, 2021, the Manitoba Court made an Order detailing the process to quantify and resolve the claims of Landlords for any Unpaid Rent (as defined in the Receiver’s Eleventh Report dated February 4, 2021) in respect of the lease for each retail store secured by the Landlords’ Charge.
22. On April 16, 2021, the Receiver filed a notice of motion with the Manitoba Court returnable May 12, 2021 (the “**Preservation of Proceeds Motion**”) in respect of the preservation of proceeds realized from the sale of certain real property owned by NPL (the “**Preserved Proceeds**”) in accordance with an agreement (the “**NPL Proceeds Preservation Agreement**”) reached between the Receiver and NPL pending a final determination by the Manitoba Court of certain issues with respect to (i) the state the Debtors’ intercompany accounts, (ii) the respective claims of NPL and NIP (if any) to be subrogated to the security held by the Lenders and the extent and/or amount of such subrogation, (iii) the consolidation of the Debtors for creditor purposes, and (iv) the potential bankruptcy of the Debtors, including NPL (collectively, the “**Consolidation Issues**”). Ultimately, the Receiver and NPL were able to resolve their dispute with respect to the matters which were to be argued at the May 12, 2021 hearing and, as such, the Preservation of Proceeds Motion was adjourned to be heard, if necessary, on June 17, 2021, which date had already been secured to deal with the Consolidation Issues.
23. On June 4, 2021, the Receiver filed a notice of motion with the Manitoba Court returnable June 17, 2021 (the “**Net Receivership Proceeds Motion**”) seeking an Order(s), among other things, substantively consolidating the assets and liabilities of the Debtors for the purpose of addressing the claims of creditors of each of the Debtors and authorizing the Receiver to file assignments in bankruptcy in respect of each of the Debtors (including the US Debtors) on a substantially consolidated basis. The Net Receivership Proceeds Motion (and the Preservation of Proceeds Motion, if necessary) were subsequently adjourned to November 5, 2021.
24. On July 26, 2021, the Receiver filed a further notice of motion with the Manitoba Court returnable November 5, 2021, seeking advice and direction from the Manitoba Court with respect to whether the additional uses of the

Preserved Proceeds, as requested by the Respondents, were proper and consistent with the terms of the NPL Proceeds Preservation Agreement.

25. On September 8, 2021, the Debtors filed a notice of motion with the Manitoba Court returnable September 16, 2021 (the “**Questions Motion**”) seeking an Order, among other things, compelling certain representatives of the Receiver to attend for cross examination on the Receiver’s Twelfth Report dated June 4, 2021 (the “**Twelfth Report**”) or, in the alternative, directing the Receiver to answer all of the questions (as well as any follow-up questions) (collectively, the “**Questions**”) attached as Schedule “A” to the Questions Motion (in excess of 260 questions). On September 16, 2021, the Manitoba Court provided the Receiver and the Debtors guidance regarding the nature and type of questions properly put to the Receiver (generally, questions related to allocation of receivership expenses or intercompany obligations). The Manitoba Court directed that the Receiver and the Debtors cooperate to identify any questions related to the separate corporation analysis, allocation, and/or intercompany balances which relate to the facts and information relied upon by the Receiver in coming to its conclusions as detailed in the Twelfth Report and which were not already answered in the Twelfth Report or any other previously filed materials.
26. On November 5, 2021, the Manitoba Court made an order approving the NPL Proceeds Preservation Agreement and the distribution of certain amounts from the Preserved Proceeds adjourned the Net Receivership Proceeds Motion to December 20, 2021, and set deadlines for the Receiver and the Debtors (or any interested party) to file responsive materials. On December 20, 2021, the Manitoba Court heard the contested Net Receivership Proceeds Motion.
27. On March 10, 2021, the Honourable Mr. Justice Edmond of the Manitoba Court issued lengthy and comprehensive reasons for judgment and made an Order (the “**Net Receivership Proceeds Order**”) that, among other things:
  - (i) declared the assets and liabilities of the Debtors to be substantively consolidated for the purposes of addressing the claims of creditors of each of the Debtors;
  - (ii) authorized the Receiver to file assignments in bankruptcy on behalf of the Debtors, other than NPL and NEL;
  - (iii) authorized the Receiver to file applications for bankruptcy orders in the Manitoba Court in relation to NPL and NEL on a basis that reflects the substantive consolidation of the estates of the Debtors (and lifted the stay of proceedings under the Receivership Order for the purpose of allowing this to occur);
  - (iv) appointed the Receiver as trustee in bankruptcy (the “**Trustee**”) of each of the Debtors;



- (v) authorized the Receiver, in its capacity as Trustee, to apply for an order for procedural and substantive consolidation of the estates of each of the Debtors in bankruptcy for all purposes in the administration of the said estates under the BIA;
  - (vi) approved the allocations made by the Receiver respecting receivership costs and the proceeds of sale of the Property;
  - (vii) granted the Debtors' motion to authorize or permit payment of the Debtors' reasonable legal fees and disbursements and professional costs incurred and to be incurred in the Receivership Proceedings from certain Preserved Proceeds and, if necessary, the net proceeds of the Receivership (subject to the Receiver's review and approval of such professional costs); and
  - (viii) dismissed the Debtors' motion to authorize or permit payment of legal fees and disbursements from the Preserved Proceeds or the net proceeds in the Receivership to defend the criminal charges against PJN.
28. On March 22, 2022, the Debtors attempted to file a Notice of Appeal dated March 22, 2022 (the "**Proposed Notice of Appeal**") with the Court of Appeal pursuant to sections 193(a)(b)(c) and (e) of the BIA in connection with their proposed appeal of the Net Receivership Proceeds Order. The filing of the Proposed Notice of Appeal was not, however, accepted, as the attempt to file the Proposed Notice of Appeal occurred after the expiry of the 10-day appeal period provided pursuant to the *Bankruptcy and Insolvency General Rules*, C.R.C. c. 268.
29. On March 25, 2022, the Debtors filed a Notice of Motion with the Court of Appeal seeking an Order extending the time for filing the Proposed Notice of Appeal.
30. On May 5, 2022, the Debtors were granted an extension of time to file the Proposed Notice of Appeal such that the Proposed Notice of Appeal being held in abeyance was accepted for filing in its original form ("**Filed Notice of Appeal**").
31. On June 6, 2022, the Debtors filed a notice of motion with the Court of Appeal seeking leave to amend the Filed Notice of Appeal (the "**Debtors' June 6 Motion**"). On June 22, 2022, the Debtors filed a further motion with the Court of Appeal seeking, among other things, leave to extend the page limit of the Debtors' factum, to be filed in support of the appeal, or, in the alternative, granting leave to file a "reply brief", and an Order permitting the use of the documents filed electronically with the Manitoba Court in the Receivership Proceedings as part of the Debtors' Appeal Book (the "**Debtors' June 22 Motion**" and together with the Debtors' June 6 Motion, the "**Debtors' Appeal Motions**").

32. Although the Receiver consented to certain of the proposed amendments set out in the Debtors' Amended Notice of Appeal, which provided further particulars or clarified the grounds of appeal contained in the Filed Notice of Appeal, the Receiver opposed the Debtors' June 6 Motion on the basis that certain of the proposed amendments sought to expand the scope of the appeal such that they were not true amendments, but rather should be considered as new grounds that would require the Court of Appeal to grant another extension of time to the Debtors. The Receiver opposed the Debtors' June 22 Motion, as, in its view, there were no special circumstances in this case to permit the Debtors to depart from the usual provisions of the *Court of Appeal Rules*, Man Reg 555/88.
33. On August 11, 2022, the Court of Appeal largely dismissed the Debtors' Appeal Motions and provided additional direction and clarification regarding the permitted amendments to the Filed Notice of Appeal. As of the date of this report, the Court of Appeal has not yet set a date for the Debtors' appeal of the Net Receivership Proceeds Order.
34. In addition to the above matters in respect of the Debtors' appeal of the Net Receivership Proceeds Order, following the issuance of that Order, the Receiver has been requested to approve various of the Debtors' legal fees and disbursements (the "**Debtors' Professional Accounts**") in accordance with the direction provided by the Manitoba Court in the Net Receivership Proceeds Order. Unfortunately, based on the information provided to the Receiver, the Receiver was not in a position to approve certain of the Debtors' Professional Accounts. A case conference was held before Mr. Justice Edmond on August 30, 2022 (the "**Case Conference**") to consider the matter of the Debtors' Professional Accounts. At the Case Conference, a hearing date of November 3, 2022 was set for dealing with the matter of the Debtors' Professional Accounts, and the Manitoba Court set a schedule for the submission of materials in advance of the hearing date.
35. On October 3, 2022, the Debtors filed a notice of motion with the Manitoba Court returnable November 3, 2022 (the "**LTGLC Professional Fee Motion**") seeking an Order (i) determining the quantum of reasonable legal fees, disbursements and professional costs incurred by PJN in the receivership and bankruptcy proceedings and (ii) authorizing the full payment of legal fees and disbursements and professional costs of PJN from the Preserved Proceeds and, if necessary, the Net Receivership Proceeds.
36. In accordance with the Receivership Order, the Receiver has established a website (the "**Receiver's Website**") for the purposes of these proceedings at <https://www.richter.ca/insolvencycase/nygard-group>.

37. Copies of the pleadings and other materials filed in the Receivership Proceedings, other than affidavits and appendices sealed by Order of the Manitoba Court, and the various Orders issued by the Manitoba Court are posted to and available for review at the Receiver's Website.
38. Copies of the pleadings and other materials filed in the Chapter 15 Proceedings, and the various Orders issued by the U.S. Court are also posted to and available for review at the Receiver's Website.
39. The Receiver has engaged Thompson Dorfman Sweatman LLP (Winnipeg) ("**TDS**") as its Canadian counsel, and Katten Muchin Rosenman LLP (New York) ("**Katten**") as its U.S. counsel.

## II. PURPOSE OF REPORT

40. The Receiver has previously filed thirteen reports (and, collectively with eight additional supplementary reports, the "**Prior Receiver's Reports**") with the Manitoba Court in connection with the Receivership Proceedings. Copies of the Prior Receiver's Reports are available on the Receiver's Website.
41. The Receiver's Thirteenth Report dated October 12, 2022 (the "**Thirteenth Report**") was filed with the Manitoba Court to provide it with information in respect of the LTGLC Professional Fee Motion and respond to certain matters raised in: (i) the Motion Brief of the Respondents dated October 3, 2022 (the "**NPL Brief**") and (ii) the affidavit of Wayne Onchulenko sworn October 3, 2022, and filed in support of the LTGLC Professional Fee Motion.
42. This report (the "**Supplementary Thirteenth Report**") is filed by the Receiver to provide the Manitoba Court with additional information in respect of the legal fees and disbursements incurred by the Receiver during the approximate period of time addressed by the LTGLC Professional Fee Motion (approximately November 2021 to approximately August/September 2022).

## III. TERMS OF REFERENCE

43. In preparing this Supplementary Thirteenth Report, the Receiver has relied upon information and documents prepared by the Debtors and their advisors, including unaudited, draft and/or internal financial information, the Debtors' books and records, discussions with representatives of the Debtors, including current and former employees, legal counsel to PJN, the Debtors and certain related non-Debtor entities, the Lenders and their legal counsel, and information from third-party sources (collectively, the "**Information**"). In accordance with industry practice, except as otherwise described in the Supplementary Thirteenth Report, Richter has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, Richter has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a

manner that would comply with Canadian Auditing Standards (“CAS”) pursuant to the *Chartered Professional Accountant of Canada Handbook* and, as such, Richter expresses no opinion or other form of assurance contemplated under CAS in respect of the Information.

44. The Receiver has prepared this Supplementary Thirteenth Report in its capacity as a Court-appointed officer to provide the Manitoba Court with information in relation to the LTGLC Professional Fee Motion. Parties using this Supplementary Thirteenth Report, other than for the purposes outlined herein, are cautioned that it may not be appropriate for their purposes, and consequently should not be used for any other purpose.
45. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Thirteenth Report.
46. Unless otherwise noted, all monetary amounts contained in this Supplementary Thirteenth Report are expressed in Canadian dollars.

#### IV. RECEIVER/DEBTOR PROFESSIONAL FEES

47. In the Thirteenth Report, the Receiver reported the aggregate legal fees for both the Receiver and the Debtors for the period leading up to the Net Receivership Proceeds Motion (approximately November 2021 to approximately August/September 2022 (the “Period”)) as follows:

Receiver	Fees \$(CAN)	Debtors	Fees \$(CAN)
Fees excluding disbursements and applicable taxes:		Fees excluding disbursements and applicable taxes:	
TDS (November 10, 2021 - September 2, 2022)	\$ 330,026	LTGLC (November 30, 2021 - August, 30, 2022)	\$ 391,903
		Tayar (November 2, 2021 - August 19, 2022)	\$ 272,325
	<b>\$ 330,026</b>		<b>\$ 664,228</b>
Fees including disbursements and applicable taxes:		Fees including disbursements and applicable taxes:	
TDS (November 10, 2021 - September 2, 2022)	\$ 372,118	LTGLC (November 30, 2021 - August, 30, 2022)	\$ 445,347
		Tayar (November 2, 2021 - August 19, 2022) <sup>1</sup>	\$ 308,928
	<b>\$ 372,118</b>		<b>\$ 754,276</b>

(1) Tayar has made handwritten adjustments to the value of its accounts. In recalculating the aggregate fees (incl. disbursements and taxes), the Receiver has calculated a different amount. The amount calculated by the Receiver is as set out above.

48. In reporting the legal fees/disbursements incurred by the Receiver during the Period, the Receiver unintentionally omitted reference to minor amounts of legal fees/disbursements of its U.S. legal counsel, Katten, that may pertain to issues in connection with the Receivership Proceedings in which NPL and NEL are engaged. The aggregate fees and disbursements of Katten for the period November 4, 2021 to August 31, 2022 are US\$127,471.54 (the “Katten Accounts”), of which approximately US\$16,000.00 relates to matters at issue in the Receivership Proceedings in which NPL and NEL are engaged.

49. In considering and reporting on the LTGLC Professional Fee Motion in the Thirteenth Report, the Receiver was endeavoring to compare the legal costs incurred by each of the Receiver and the Debtors in respect of similar matters during the Period. As noted in the Thirteenth Report, following the issuance of the Net Receivership Proceeds Order, the primary ongoing matter to be dealt with in the Receivership Proceedings was NPL's claimed rights and entitlements to the Net Receivership Proceeds. As such, the Receiver sought to compare the legal fees incurred by both the Receiver and the Debtors dealing with this matter, as reported in the Thirteenth Report. Katten provided focused services in this regard, in respect of certain considerations related to the law in the U.S. dealing with consolidation of debtor entities for the purposes of insolvency proceedings.
50. Throughout the Period, in addition to matters relating to NPL's claimed rights and entitlements to the Net Receivership Proceeds, the Receiver's legal counsel and, in particular, Katten, has provided the Receiver with legal advice, guidance and support in respect of other (or ancillary) receivership matters.
51. Following the issuance of the Receivership Order, the Receiver commenced the Chapter 15 Proceedings to provide a mechanism for the Receiver to deal with the Debtors' U.S. assets, claimants and other interested parties. In this regard, the Katten Accounts predominantly deal with the following matters:
  - (i) communicating with the U.S. Attorney's Office for the Southern District of New York in respect of the ongoing criminal investigation of PJN and the provision of relevant documents;
  - (ii) researching issues and drafting materials in connection with recognition, by the U.S. Court, of the Net Receivership Proceeds Order and related matters;
  - (iii) communicating with U.S. creditors of the Debtors (or other entities within the Nygard group of companies not subject to the Receivership Proceedings) and other interested parties;
  - (iv) considering and responding to matters in connection with a certain "Nygard" aircraft identified and located in the U.S.; and
  - (v) communicating with TDS and the Receiver in connection with the Receivership Proceedings.
52. In the Receiver's view, the minimal Katten fees incurred in connection with the matters pertinent to consideration of the Debtors' professional fees, do not alter the Receiver's conclusions in respect of the LTGLC Professional Fee Motion as set out in the Thirteenth Report.

All of which is respectfully submitted on this 26<sup>th</sup> day of October, 2022.

**Richter Inc. (formerly, Richter Advisory Group Inc.)  
in its capacity as Receiver of  
Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc.,  
Nygard NY Retail, LLC, Nygard Enterprises Ltd., Nygard Properties Ltd.,  
4093879 Canada Ltd., 4093887 Canada Ltd., any Nygard International Partnership  
and not in its personal capacity**



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Adam Sherman, MBA, CIRP, LIT



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Adam Zeldin, CPA, CA, CIRP, LIT