

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**JCF CAPITAL ULC**

Applicant

and

**TALON INTERNATIONAL INC., MIDLAND DEVELOPMENT INC., 1456253  
ONTARIO INC., 2025401 ONTARIO LIMITED, BARREL TOWER HOLDINGS INC.,  
HARVESTER DEVELOPMENTS INC., TALON INTERNATIONAL DEVELOPMENT  
INC., TFB INC., 2263847 ONTARIO LIMITED AND 2270039 ONTARIO LIMITED**

Respondents

**APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C.  
C.43, AS AMENDED, AND SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY ACT*,  
R.S.C. 1985, C. B-3 AS AMENDED**

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**MOTION RECORD**  
**of Northbridge General Insurance Company**  
(re: disclosure by Talon about claims returnable March 16, 2017)

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**DATE:** March 11, 2016  
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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

BETWEEN:

**JCF CAPITAL ULC**

Applicants

- and -

**TALON INTERNATIONAL INC., MIDLAND DEVELOPMENT INC.,  
1456253 ONTARIO INC., 2025401 ONTARIO LIMITED, BARREL  
TOWER HOLDINGS INC., HARVESTER DEVELOPMENTS INC.,  
TALON INTERNATIONAL DEVELOPMENT INC., TFB INC.,  
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Respondents

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R.S.O. 1990, C. C.43, AS AMENDED, AND SECTION 243 OF THE  
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**TAB 1**

Court File No. CV-16-11573-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**JCF CAPITAL ULC**

Applicant

and

**TALON INTERNATIONAL INC., MIDLAND DEVELOPMENT INC., 1456253  
ONTARIO INC., 2025401 ONTARIO LIMITED, BARREL TOWER HOLDINGS INC.,  
HARVESTER DEVELOPMENTS INC., TALON INTERNATIONAL DEVELOPMENT  
INC., TFB INC., 2263847 ONTARIO LIMITED AND 2270039 ONTARIO LIMITED**

Respondents

**APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O.  
1990, C. C.43, AS AMENDED, AND SECTION 243 OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, R.S.C. 1985, C. B-3 AS AMENDED**

**NOTICE OF MOTION**

NORTHBRIDGE GENERAL INSURANCE COMPANY (“Northbridge”) will make a Motion to a Judge of the Commercial List, on Thursday March 16, 2017 at 10:00 a.m. or soon after that time as the motion can be heard, at 330 University Avenue, 8th Floor, Toronto, Ontario.

**THE PROPOSED METHOD OF HEARING:** The motion is to be heard:

- in writing under subrule 37.12.1(1) because it is made without notice;
- in writing as an opposed motion under subrule 37.12.1(4); or
- orally.

**THE MOTION IS FOR:**

1. If necessary, an Order abridging the time for service of the Receiver's notice of motion and motion record and validating the service of such motion materials;
2. An Order directing Talon International Inc. ("**Talon**") to provide to Northbridge:
  - a) a list of all claims, applications or other proceedings, whether active or inactive and whether or not there has been a noting in default, default judgment, judgment, settlement, dismissal order, discontinuance or any other resolution in respect of same, ever commenced by Talon, a current or former unit purchaser or by any other person or entity in connection with agreements of purchase and sale entered into with Talon for the purchase of residential or hotel condominium units for which any claim for forfeiture or return of deposit monies (or for damages in amounts equivalent thereto) has been made ("**Claims**"), which list shall be inclusive of the court file numbers, the named parties to each such claim, the relevant unit number(s) to which each such claim relates and the deposit amounts claimed in each such claim;
  - b) a brief description of the status or outcome of each of the Claims, including, in the event of settled Claims, how such settlement determined the question of entitlement to the claimed deposit monies;
  - c) copies of the pleadings and any judgments for all Claims,
  - c) a list of all agreements of purchase and sale entered into with Talon for the purchase or residential or hotel condominium units which did not close and for which any claim for forfeiture or return of deposit monies could have been advanced, where such claims were resolved by way of settlement agreement or otherwise without litigation ever having been commenced and where such settlement resolved the question of entitlement to the deposit monies paid under the agreement of purchase and sale ("**Settled Matters**"), which list shall be inclusive of the names of the parties to the agreements of purchase sale, the relevant unit numbers to which each

- 3 -

agreement of purchase and sale relates and the deposit amounts paid under each agreement of purchase and sale; ;

- d) copies of all releases obtained or exchanged by Talon in connection with settled Claims or Settled Matters that resolve or impact any potential claim for forfeiture or return of deposit monies and, where no release was obtained or exchanged, copies of any other documentation which might evidence the resolution of the question of entitlement to the deposit monies in question; and
  - f) such further information as Northbridge may require in order to properly administer the policy of insurance granted by Northbridge in connection with potential Claims; and
3. Such further and other relief as this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

- 1. Northbridge provided a policy of insurance for certain deposits collected by Talon in connection with agreements it entered into for the sale of residential and hotel condominium units at the project known as the Trump International Hotel and Tower at 325 Bay Street in Toronto;
- 2. There have been a number of claims by persons who entered into such agreements with Talon for, among other things, the return of such deposits, and a number of claims by Talon for, amongst other things, the forfeiture of such deposits;
- 3. On November 1, 2016 Talon, among others, was placed under receivership in these proceedings;
- 4. A sales process is nearing completion in this matter to convey the assets of Talon but that will not include Talon's litigation against persons who entered into purchase agreements with Talon, and instead Talon will continue to conduct such litigation itself;

- 4 -

5. Northbridge has been requesting for some time the information sought in this motion, but Talon has either failed or refused to provide it;
6. Rules 3 and 37 of the *Rules of Civil Procedure*; and
7. Such further and other grounds as counsel may advise and this Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:

1. The affidavit of Robert Calderwood and exhibits thereto, and
2. Such further and other documentary evidence as counsel may advise and this Court may accept.

**DATE:** March 11, 2016

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APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C.43, Court File No:  
 AS AMENDED, AND SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. CV-16-11573-00CL  
 1985, C. B-3 AS AMENDED

JCF CAPITAL ULC and Talon International Inc. et al.  
 Applicant Respondents

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

Proceeding Commenced at Toronto

**NOTICE OF MOTION**

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**TAB 2**

Court File No. CV-16-11573-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**JCF CAPITAL ULC**

Applicant

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1990, C. C.43, AS AMENDED, AND SECTION 243 OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, R.S.C. 1985, C. B-3 AS AMENDED**

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**AFFIDAVIT OF ROBERT CALDERWOOD**

**(Sworn March 10, 2017)**

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I, Robert Calderwood, of the City of Vaughan, in the Regional Municipality of York, hereby MAKE OATH AND SAY:

1. I am a barrister and solicitor qualified to practice in the Province of Ontario and am a member of DelZotto, Zorzi LLP, who act for Northbridge General Insurance Company (“Northbridge”) in this matter and therefore have knowledge of the matters in this affidavit.

- 2 -

Where this affidavit is based on information and belief, I have stated the source of that information and believe it to be true.

2. Northbridge (under its then name Lombard General Insurance Company of Canada) provided a policy of insurance for certain deposits given to Talon International Inc. (“**Talon**”) in connection with agreements of purchase and sale for residential and hotel condominium units in the Trump International Hotel and Tower at 325 Bay Street in Toronto.

3. There has been substantial litigation between Talon and persons with such agreements of purchase and sale and it appears that this litigation is continuing.

4. On behalf of Northbridge, I have been attempting for some time to get information from Talon regarding the nature and extent of claims relating to deposits paid to Talon. This is because Northbridge may be obliged to provide coverage for some portion of such claims, and also because Northbridge holds first-ranking security over certain deposit funds that were collected by the real estate development lawyers for Talon, Harris Sheaffer LLP, and remain in that firm’s trust accounts pursuant to designated trust agreements with Northbridge.

5. Northbridge is entitled to such information from Talon by virtue of both its role as insurer on such matters, and also by the express terms of an indemnity agreement from, among others, Talon dated September 17, 2007, a copy of which is attached as **Exhibit “A”**. Section 23 of that agreement speaks to Northbridge’s right of access to the books and records of, among others, Talon. Similarly, section 23(d) speaks to providing copies of any document in relation to a claim that could affect the insurance granted by Northbridge.

6. Some information was initially provided by litigation counsel to Talon in a letter dated October 11, 2016.

7. Brendan Bissell, a lawyer with Goldman Sloan Nash & Haber LLP who acts as insolvency co-counsel with me for Northbridge, took steps to attempt to secure more information from Talon commencing in December. A copy of an email string between Mr. Bissell and litigation counsel for Talon between December 19, 2016 and January 2, 2017 in that regard is attached as **Exhibit “B”**.

8. One of the results of Mr. Bissell’s email correspondence was an agreement to hold a meeting on January 23, 2017 at the offices of litigation counsel for Talon to review some of the available information. Prior to that meeting, litigation counsel for Talon provided to Mr. Bissell a letter and enclosures, which were a 12 page list of certain claims, plus another copy of the October 11, 2016 letter that had already been sent as noted above.

9. I attended the January 23, 2017 meeting along with representatives of Northbridge. At the meeting, litigation counsel for Talon agreed to prepare other information and documents.

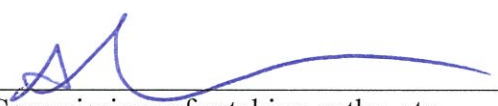
10. The agreement to provide more information and documents was something I noted in my email of February 1, 2017 to litigation counsel for Talon, a copy of which is attached as **Exhibit “C”**.

11. Not having received the information, I followed up by email dated February 22, 2017, a copy of which is attached as **Exhibit “D”**. In that email, I requested a response by February 24, 2017. That did not happen.

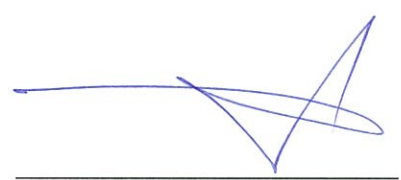
12. Again not having received the information, I followed up again by email dated February 27, 2017, a copy of which is attached as **Exhibit “E”**. In that email, I specifically noted that this motion would be brought in the absence of the information being provided.

13. For the sake of completeness, I should note that litigation counsel for Talon did respond to me. I am not, however, disclosing the substance of that response because I believe it was intended as a without prejudice communication or otherwise to be off the record. The information and documentation I have been seeking on behalf of Northbridge from Talon was not provided as a result, though, and that conversation was left with the clear understanding that Northbridge would be bringing this motion.

**SWORN** before me at the City of Toronto,  
in the Province of Ontario  
this 10<sup>th</sup> day of March, 2017

  
\_\_\_\_\_  
A Commissioner for taking oaths, etc.  
Sabrina Adamski

)  
)  
)  
)  
)  
)

  
\_\_\_\_\_  
**ROBERT CALDERWOOD**


**TAB A**

This is Exhibit....."A".....referred to in the

affidavit of .....ROBERT CALDERWOOD.....

sworn before me, this.....10th.....

day of .....March.....20 17.....

..........  
A COMMISSIONER, ETC





Lombard Canada Ltd.  
105 Adelaide Street West  
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### INDEMNITY AGREEMENT

BY:

TALON INTERNATIONAL INC.

(hereinafter called the "Principal")

AND BY:

MIDLAND DEVELOPMENT INC.  
1456253 ONTARIO INC.

(each of whom is hereinafter called an "Indemnitor")

IN FAVOUR OF:

LOMBARD GENERAL INSURANCE COMPANY OF CANADA

(hereinafter called the "Surety")

IN CONSIDERATION OF THE ISSUE BY THE SURETY OF BONDS AND/OR POLICIES AS DEFINED HEREUNDER AND IN ACCORDANCE WITH AN AGREED UPON SURETY FACILITY, THE UNDERSIGNED COVENANT AND AGREE AS FOLLOWS:

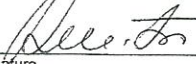
1. *Date and place of execution of the present agreement* - The present agreement, for all legal intents and purposes, is deemed to have been executed the 17th day of September 2007, in the Province of Ontario.
2. *The "Principal"* - All references herein to the "Principal" mean one or the other or each of the parties designated hereinabove as the "Principal".
3. *The "Indemnitors"* - For purposes of the present agreement, "Indemnitors" means:
  - a) all the parties designated as the "Principal" and, should the case arise, and
  - b) the other signatories of the present agreement.
4. *Purpose Of the present agreement and definition of "Bonds and/or Policies"* - The purpose of the present agreement is:
  - a) to set forth the rights of the Surety and other beneficiaries,
  - b) to set forth the rights and obligations of the Indemnitors, and
  - c) flowing from the execution of one or several bonds and/or policies to guarantee the obligations of any Principal or other forms of guarantee or obligation or one or several policies of insurance (herein called the "Bonds and/or Policies"); the word "Bonds and/or Policies" includes any alteration, renewal, continuance, replacement or extension of such bonds or policies of insurance.



CORPORATE INDEMNITORS AND / OR PARTNERSHIPS SIGN HEREUNDER. IF THE UNDERSIGNED IS A CORPORATION, EXECUTE IN FULL CORPORATE NAME BY PROPER OFFICER(S) AND ATTACH CORPORATE RESOLUTION(S). IF THE UNDERSIGNED IS A PARTNERSHIP, SET FORTH NAME IN FULL, WITH THE SIGNATURE(S) OF THE PARTNER(S) EXECUTING ON ITS BEHALF SET OUT IMMEDIATELY BELOW. EACH PARTNER SHOULD ALSO SIGN SEPARATELY AS A PERSONAL INDEMNITOR.

Name of Corporation: TALON INTERNATIONAL INC.

Address of Corporation: 553 Basaltic Road, Concord, ON L4K 4W8

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

VAL LEVITAN - PRESIDENT  
\_\_\_\_\_  
Name & Title of Authorized Signing Officer (in block letters)

\_\_\_\_\_  
Name & Title of Authorized Signing Officer (in block letters)

*I / We have authority to bind the corporation*

Name of Corporation: MIDLAND DEVELOPMENT INC.

Address of Corporation: 259 Yorkland Road, Toronto, ON M5J 5B2

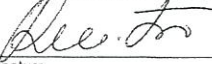
\_\_\_\_\_  
Signature  
AARON ZAK - SECRETARY  
ALEX SHWAIDER - PRESIDENT  
\_\_\_\_\_  
Name & Title of Authorized Signing Officer (in block letters)

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Name & Title of Authorized Signing Officer (in block letters)

*I / We have authority to bind the corporation*

Name of Corporation: 1456253 ONTARIO INC.

Address of Corporation: 553 Basaltic Road, Concord, ON L4K 4W8

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

VAL LEVITAN - PRESIDENT  
\_\_\_\_\_  
Name & Title of Authorized Signing Officer (in block letters)

\_\_\_\_\_  
Name & Title of Authorized Signing Officer (in block letters)

*I / We have authority to bind the corporation*

CORPORATE INDEMNITORS AND / OR PARTNERSHIPS SIGN HEREUNDER. IF THE UNDERSIGNED IS A CORPORATION, EXECUTE IN FULL CORPORATE NAME BY PROPER OFFICER(S) AND ATTACH CORPORATE RESOLUTION(S). IF THE UNDERSIGNED IS A PARTNERSHIP, SET FORTH NAME IN FULL, WITH THE SIGNATURE(S) OF THE PARTNER(S) EXECUTING ON ITS BEHALF SET OUT IMMEDIATELY BELOW. EACH PARTNER SHOULD ALSO SIGN SEPARATELY AS A PERSONAL INDEMNITOR.

Name of Corporation: TALON INTERNATIONAL INC.

Address of Corporation: 553 Basaltic Road, Concord, ON L4K 4W8

Signature

VAL LEVITAN - PRESIDENT

Name & Title of Authorized Signing Officer (in block letters)

Signature

Name & Title of Authorized Signing Officer (in block letters)

I / We have authority to bind the corporation

Name of Corporation: MIDLAND DEVELOPMENT INC.

Address of Corporation: 259 Yorkland Road, Toronto, ON M5J 5B2

Signature

AARON ZAK - SECRETARY  
ALEX SHWAIDER - PRESIDENT

Name & Title of Authorized Signing Officer (in block letters)

Signature

Name & Title of Authorized Signing Officer (in block letters)

I / We have authority to bind the corporation

Name of Corporation: 1456253 ONTARIO INC.

Address of Corporation: 553 Basaltic Road, Concord, ON L4K 4W8

Signature

VAL LEVITAN - PRESIDENT

Name & Title of Authorized Signing Officer (in block letters)

Signature

Name & Title of Authorized Signing Officer (in block letters)

I / We have authority to bind the corporation

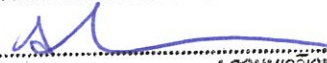
**TAB B**

This is Exhibit....."B".....referred to in the

affidavit of .....ROBERT CALDERWOOD.....

sworn before me, this.....10th.....

day of .....March.....20.17.....

  
.....  
A COMMISSIONER, ETC

---

**From:** Brendan Bissell <bissell@gsnh.com>  
**Sent:** Monday, January 02, 2017 10:05 PM  
**To:** Symon Zucker  
**Cc:** elamek@weirfoulds.com; dnunes@weirfoulds.com; rukavina@weirfoulds.com; ntourgis@srglegal.com; CHRIS.BURR@blakes.com; Jane Dietrich; Robert Calderwood; Bernadette Escujuri  
**Subject:** Re: Talon and Northbridge

Symon: There were previous inquiries from Robert Calderwood, my co-counsel on this matter. In any event, let's focus on the substance rather than the procedure.

I think that getting copies of all pleadings, plus details of any steps that have removed parties (default, dismissal, etc.) and a brief indication of the status of each claim (for example pleadings stage, documentary disclosure, oral examinations etc.) would be a good starting point. Northbridge may need more, but probably cannot tell until we have the foregoing.

I fully appreciate that getting the documents and information requested won't be possible tomorrow and may take longer with your and Nancy's travel plans. If Robert and I can get Talon's commitment to provide this information and documentation within a reasonable time of your and/or Nancy's return, that will do. That will also allow me not to bother you (further) while you are still out.

Please advise if that's workable.

Regards,

R. Brendan Bissell  
Office: (416) 597-6489 | Mobile: (416) 992-4979  
Sent from my iPhone

On Jan 2, 2017, at 9:56 PM, Symon Zucker <[sz@bondlaw.net](mailto:sz@bondlaw.net)> wrote:

Brendan, further to my email earlier today to which I received no reply let me be clear about the following.

Nancy and I have looked. We have no informational requests from you directly. I think that you may have had some communication with Steve. Nancy and I tried to set up a call with you, but due to holidays, have not connected. We tried to set up the call because we had questions and I believe, though may be mistaken, this was before any informational request by Northbridge. Now, given your recent email, we need to understand exactly what you want. There are a large number of files in differing degrees of progress. To provide all pleadings etc. would take some time (especially many are applications with large affidavits), but can be achieved. I know that we sent to Northbridge's counsel, Dominique Michaud, a letter on October 11, 2016, which detailed all of the deposits Talon believed that they were entitled to where the proposed purchasers had made no claim. We have provided the litigation lists to the Receiver.

I am out of the country and Nancy leaves for the Dominican on January 3, returning January 11<sup>th</sup>. We can set up a call while we are both away. Suggesting that we have ignored you is simply incorrect.



**From:** Brendan Bissell [mailto:[bissell@gsnh.com](mailto:bissell@gsnh.com)]  
**Sent:** Monday, January 2, 2017 1:38 PM  
**To:** [elamek@weirfoulds.com](mailto:elamek@weirfoulds.com); [dnunes@weirfoulds.com](mailto:dnunes@weirfoulds.com); [rukavina@weirfoulds.com](mailto:rukavina@weirfoulds.com)  
**Cc:** [ntourgis@srglegal.com](mailto:ntourgis@srglegal.com); Symon Zucker <[sz@bondlaw.net](mailto:sz@bondlaw.net)>; [CHRIS.BURR@blakes.com](mailto:CHRIS.BURR@blakes.com); Jane Dietrich <[jdietrich@casselsbrock.com](mailto:jdietrich@casselsbrock.com)>; Robert Calderwood <[RCalderwood@dzlaw.com](mailto:RCalderwood@dzlaw.com)>  
**Subject:** Fwd: Talon and Northbridge

Edmond, Danny & Steve:

I am writing to follow up on my earlier inquiries about the status of the claims involving Talon which pertain to either the insurance granted by Northbridge, or to the funds held in the designated trust accounts.

Unfortunately, the earlier attempts to get information through Nancy Tourgis and Symon Zucker have proven unhelpful. Northbridge is accordingly left with little option but to bring a formal motion to compel this information, which I am instructed to do tomorrow morning returnable on Wednesday's sale motion.

I had hoped that this would not be necessary, and I would have thought that Talon would not want the Court or the claimants to think that there were any problems in terms of how the claims are being administered, but unless we get an undertaking today that this information is going to be provided in very short order, there seems no alternative to get Northbridge the information to which it is entitled.

I also note that to the extent that Northbridge is compelled to incur costs in both getting information and, if so inclined, in separately defending and administering claims, those costs will be deducted from the funds held in the designated trust accounts. This therefore reduces the chance that there will be any funds left over after all of Northbridge's obligations have been satisfied, meaning that JCF as the subordinate ranking creditor to those funds will lose out. I doubt that it wants that to happen either.

If I don't hear from anyone on behalf of Talon on this point today, you may expect my client's motion tomorrow.

Regards,

R. Brendan Bissell  
 Office: (416) 597-6489 | Mobile: (416) 992-4979  
 Sent from my iPhone

Begin forwarded message:

**From:** "Brendan Bissell" <[bissell@gsnh.com](mailto:bissell@gsnh.com)>  
**Date:** December 21, 2016 at 7:03:23 PM EST  
**To:** "Nancy Tourgis" <[ntourgis@srglegal.com](mailto:ntourgis@srglegal.com)>  
**Cc:** <[sz@bondlaw.net](mailto:sz@bondlaw.net)>, "Jenifer Savoie" <[jsavoie@srglegal.com](mailto:jsavoie@srglegal.com)>, "Robert Calderwood" <[RCalderwood@dzlaw.com](mailto:RCalderwood@dzlaw.com)>  
**Subject:** Re: Talon and Northbridge

Nancy: It doesn't seem we have connected yet. I'd like to get this sorted out well in advance of the January 4 motion so that we can be sure that nothing needs to be raised then. Please provide times to speak with you and/or Symon, or perhaps respond substantively by email if that would be faster.

Thanks, and regards,

R. Brendan Bissell  
Office: (416) 597-6489 | Mobile: (416) 992-4979  
Sent from my iPhone

On Dec 20, 2016, at 9:17 AM, Brendan Bissell <[bissell@gsnh.com](mailto:bissell@gsnh.com)> wrote:

Thanks, Nancy. I'm in court (on this matter) this morning, but am available this afternoon if that works for a call. I am not sure about my co-counsel, Robert Calderwood, so I will have to check that. Please let me know if this aft works and I can then sort out with Robert.

Regards,

**R. Brendan Bissell**

<image001.jpg>

Suite 1600 | 480 University Avenue | Toronto ON | M5G 1V2

Direct 416 597 6489 | Fax 416 597 3370 | Mobile: 416 992 4979 | [www.gsnh.com](http://www.gsnh.com)

Assistant | Annessa Cenerini | 416 597 9922 ext. 126 | [cenerini@gsnh.com](mailto:cenerini@gsnh.com)

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---

**From:** Nancy Tourgis [<mailto:ntourgis@srglegal.com>]  
**Sent:** Monday, December 19, 2016 10:49 AM  
**To:** [bissell@gsnh.com](mailto:bissell@gsnh.com)  
**Cc:** Symon Zucker ([sz@bondlaw.net](mailto:sz@bondlaw.net)) <[sz@bondlaw.net](mailto:sz@bondlaw.net)>; Jenifer Savoie <[jsavoie@srglegal.com](mailto:jsavoie@srglegal.com)>  
**Subject:** Talon and Northbridge

Brendan,

I just left you a voice mail message. Steve Rukavina has forwarded Northbridge's inquiries to Symon and myself. We would like to speak with you about this. Symon is out of the country and reachable. Let me know what would work for you. Thanks.

**Nancy J. Tourgis**  
Solmon Rothbart Goodman LLP  
375 University Avenue, Ste. 701  
Toronto, Ontario M5G 2J5  
Tel: (416) 947-1093, Ext. 342  
Fax: (416) 947-0079

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ext. 342 and destroy this electronic mail message, without making a copy. Thank you for your assistance. WARNING: From time to time, our spam scanners eliminate legitimate email from clients. If your email contains important instructions, please ensure that we acknowledge receipt of those instructions.



**T A B C**



---

**From:** Robert Calderwood <RCalderwood@dzlaw.com>  
**Sent:** Wednesday, February 01, 2017 10:52 AM  
**To:** Nancy Tourgis; Symon Zucker (sz@bondlaw.net)  
**Cc:** 'Brendan Bissell'  
**Subject:** Talon and Northbridge

Hi Nancy – at our meeting of January 23<sup>rd</sup>, I believe you predicted that you would be able to have the revised lists to me by the end of that same week (so roughly Jan 27<sup>th</sup>). Anyways, we are a few days past what I believe was your original estimate and, as such, I was wondering if you could up-date me on when you will now be able to provide the revised lists.

As you know, amongst other things, we agreed at the meeting that you would supplement the lists you have already provided by adding unit numbers and deposit amounts and a brief status description for each matter, and that you would also provide a list of non-active collection claims (as referenced, but not included, in paragraph 'e' of your letter to Brendan of Jan 20/17), a list of all claims where there has been a default judgment or a noting in default, a list of all claims in respect of which there has been a settlement, etc. As you know, we also agreed that, after we received the lists, that we would make arrangements for copies of all the pleadings to be provided to Northbridge (and, in this regard, you were to determine whether Blakes already had scanned copies of the pleadings or whether it would be necessary for us to agree to photocopy the pleadings from scratch).

In any event, Northbridge would like to receive your lists, obtain copies of the pleadings, have an opportunity to review the pleadings and cross-reference the pleadings, your lists and such information that Northbridge has at its disposal (including the deposit information provided by Harris Shaeffer) against each other AND then follow up with you thereafter with any questions it might have in order to reconcile any inconsistencies or fill in any gaps that still remain, all before the next return date in connection with the Receivership proceedings. As such, we would appreciate receiving the lists in question from you as soon as possible, so that we can begin this process.

Thanks. I'll wait to hear from you.

Robert W. Calderwood  
DelZotto, Zorzi LLP  
4810 Dufferin Street, Suite D  
Toronto, Ontario M3H 5S8  
Tel: (416) 665-5555  
Fax: (416) 665-9653  
E-mail: [rcalderwood@dzlaw.com](mailto:rcalderwood@dzlaw.com)

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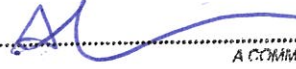
TAB D

This is Exhibit....."D".....referred to in the

affidavit of .....ROBERT CALDERWOOD.....

sworn before me, this.....10th.....

day of .....March.....2017.....

  
.....  
A COMMISSIONER, ETC

---

**From:** Robert Calderwood <RCalderwood@dzlaw.com>  
**Sent:** Wednesday, February 22, 2017 3:33 PM  
**To:** 'Nancy Tourgis'; Symon Zucker (sz@bondlaw.net)  
**Cc:** 'Brendan Bissell'; Jenifer Savoie  
**Subject:** RE: Talon and Northbridge

Hi Nancy – I spoke to Symon today at the courthouse about the “lists” you have been putting together for us (which are described in detail in my below email of Feb 1/16) and Symon said he would follow up with you in connection with same.

Anyways, as you know, you are well behind your below estimate of when you would be able to provide this information to me (as your below email suggested that the lists would be ready the week of February 6<sup>th</sup>).

Accordingly, can you please let me know if you will be able to provide me with the promised lists by the end of this week?

In addition, as we have also requested copies of the pleadings, if you would like someone from my office to attend at your office to obtain photocopies of the pleadings or to assist with same, please contact me at this time so that we can make the necessary arrangements.

I will wait to hear from you.

Thanks,

Robert W. Calderwood  
DelZotto, Zorzi LLP  
4810 Dufferin Street, Suite D  
Toronto, Ontario M3H 5S8  
Tel: (416) 665-5555  
Fax: (416) 665-9653  
E-mail: [rcalderwood@dzlaw.com](mailto:rcalderwood@dzlaw.com)

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---

**From:** Nancy Tourgis [mailto:ntourgis@srglegal.com]  
**Sent:** Thursday, February 02, 2017 9:10 AM  
**To:** Robert Calderwood <RCalderwood@dzlaw.com>; Symon Zucker (sz@bondlaw.net) <sz@bondlaw.net>  
**Cc:** 'Brendan Bissell' <bissell@gsnh.com>; Jenifer Savoie <jsavoie@srglegal.com>  
**Subject:** RE: Talon and Northbridge

Robert,

I am working on the lists. Unfortunately I have been ill for most of January, and had a bit of a relapse then went into three days of discovery. Symon had eye surgery as well. I hope to complete the charts on the weekend. They will be in Word, at least at first instance, and then I am going to try and convert to Excel. I will review and respond to the balance of the email as well.



**Nancy J. Tourgis**

Solmon Rothbart Goodman LLP  
 375 University Avenue, Ste. 701  
 Toronto, Ontario M5G 2J5  
 Tel: (416) 947-1093, Ext. 342  
 Fax: (416) 947-0079

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---

**From:** Robert Calderwood [<mailto:RCalderwood@dzlaw.com>]

**Sent:** February-01-17 10:52 AM

**To:** Nancy Tourgis; Symon Zucker ([sz@bondlaw.net](mailto:sz@bondlaw.net))

**Cc:** 'Brendan Bissell'

**Subject:** Talon and Northbridge

Hi Nancy – at our meeting of January 23<sup>rd</sup>, I believe you predicted that you would be able to have the revised lists to me by the end of that same week (so roughly Jan 27<sup>th</sup>). Anyways, we are a few days past what I believe was your original estimate and, as such, I was wondering if you could up-date me on when you will now be able to provide the revised lists.

As you know, amongst other things, we agreed at the meeting that you would supplement the lists you have already provided by adding unit numbers and deposit amounts and a brief status description for each matter, and that you would also provide a list of non-active collection claims (as referenced, but not included, in paragraph 'e' of your letter to Brendan of Jan 20/17), a list of all claims where there has been a default judgment or a noting in default, a list of all claims in respect of which there has been a settlement, etc. As you know, we also agreed that, after we received the lists, that we would make arrangements for copies of all the pleadings to be provided to Northbridge (and, in this regard, you were to determine whether Blakes already had scanned copies of the pleadings or whether it would be necessary for us to agree to photocopy the pleadings from scratch).

In any event, Northbridge would like to receive your lists, obtain copies of the pleadings, have an opportunity to review the pleadings and cross-reference the pleadings, your lists and such information that Northbridge has at its disposal (including the deposit information provided by Harris Shaeffer) against each other AND then follow up with you thereafter with any questions it might have in order to reconcile any inconsistencies or fill in any gaps that still remain, all before the next return date in connection with the Receivership proceedings. As such, we would appreciate receiving the lists in question from you as soon as possible, so that we can begin this process.

Thanks. I'll wait to hear from you.

Robert W. Calderwood  
 DelZotto, Zorzi LLP  
 4810 Dufferin Street, Suite D  
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 Tel: (416) 665-5555  
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**T A B E**



This is Exhibit....."E".....referred to in the  
affidavit of .....ROBERT CALDERWOOD.....  
sworn before me, this.....10th.....  
day of .....March.....20 17.....  
.....  
A COMMISSIONER, ETC

---

**From:** Robert Calderwood <RCalderwood@dzlaw.com>  
**Sent:** Monday, February 27, 2017 5:45 PM  
**To:** 'Nancy Tourgis'; 'Symon Zucker (sz@bondlaw.net)'  
**Cc:** 'Brendan Bissell'; 'Jenifer Savoie'  
**Subject:** RE: Talon and Northbridge

Hi Nancy – I note that I did not receive a response to my below email to you and Symon dated Feb 22/17 (wherein I asked you to commit to providing the lists by Feb 24/17).

As you know, when we originally met in connection with this matter on Jan 23/17, you advised me that you would have the lists to me the end of that week (Jan 27/17) and, when you did not meet that projected timeline and I followed up with you on Feb 1/17, you told me on Feb 2/17 that you would have the lists to me the week of Feb 6/17.

Of course, I did not receive the lists from you at that time and I have yet to receive same. In addition, you have provided me with no further update with respect to this matter since your email of Feb 2/17.

As such, I have asked Brendan to now proceed to schedule a motion in connection with this matter in order to obtain a court order compelling Talon to produce the lists and other information we are requesting (as described in my below email of Feb 1/17) on a strict timeline. As you know, Talon has already committed to providing such information, but we can no longer sit back and wait and hope this information will be forthcoming on a timely basis as promised.

As such, Brendan will be in touch.

Thanks,

Robert W. Calderwood  
DelZotto, Zorzi LLP  
4810 Dufferin Street, Suite D  
Toronto, Ontario M3H 5S8  
Tel: (416) 665-5555  
Fax: (416) 665-9653  
E-mail: [rcalderwood@dzlaw.com](mailto:rcalderwood@dzlaw.com)

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---

**From:** Robert Calderwood  
**Sent:** Wednesday, February 22, 2017 3:33 PM  
**To:** 'Nancy Tourgis' <ntourgis@srglegal.com>; Symon Zucker (sz@bondlaw.net) <sz@bondlaw.net>  
**Cc:** 'Brendan Bissell' <bissell@gsnh.com>; Jenifer Savoie <jsavoie@srglegal.com>  
**Subject:** RE: Talon and Northbridge

Hi Nancy – I spoke to Symon today at the courthouse about the “lists” you have been putting together for us (which are described in detail in my below email of Feb 1/16) and Symon said he would follow up with you in connection with same.

Anyways, as you know, you are well behind your below estimate of when you would be able to provide this information to me (as your below email suggested that the lists would be ready the week of February 6<sup>th</sup>).

Accordingly, can you please let me know if you will be able to provide me with the promised lists by the end of this week?

In addition, as we have also requested copies of the pleadings, if you would like someone from my office to attend at your office to obtain photocopies of the pleadings or to assist with same, please contact me at this time so that we can make the necessary arrangements.

I will wait to hear from you.

Thanks,

Robert W. Calderwood  
 DelZotto, Zorzi LLP  
 4810 Dufferin Street, Suite D  
 Toronto, Ontario M3H 5S8  
 Tel: (416) 665-5555  
 Fax: (416) 665-9653  
 E-mail: [rcalderwood@dzlaw.com](mailto:rcalderwood@dzlaw.com)

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**From:** Nancy Tourgis [<mailto:ntourgis@srglegal.com>]  
**Sent:** Thursday, February 02, 2017 9:10 AM  
**To:** Robert Calderwood <[RCalderwood@dzlaw.com](mailto:RCalderwood@dzlaw.com)>; Symon Zucker ([sz@bondlaw.net](mailto:sz@bondlaw.net)) <[sz@bondlaw.net](mailto:sz@bondlaw.net)>  
**Cc:** 'Brendan Bissell' <[bissell@gsnh.com](mailto:bissell@gsnh.com)>; Jenifer Savoie <[jsavoie@srglegal.com](mailto:jsavoie@srglegal.com)>  
**Subject:** RE: Talon and Northbridge

Robert,

I am working on the lists. Unfortunately I have been ill for most of January, and had a bit of a relapse then went into three days of discovery. Symon had eye surgery as well. I hope to complete the charts on the weekend. They will be in Word, at least at first instance, and then I am going to try and convert to Excel. I will review and respond to the balance of the email as well.

**Nancy J. Tourgis**  
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**From:** Robert Calderwood [<mailto:RCalderwood@dzlaw.com>]  
**Sent:** February-01-17 10:52 AM  
**To:** Nancy Tourgis; Symon Zucker ([sz@bondlaw.net](mailto:sz@bondlaw.net))  
**Cc:** 'Brendan Bissell'  
**Subject:** Talon and Northbridge

Hi Nancy – at our meeting of January 23<sup>rd</sup>, I believe you predicted that you would be able to have the revised lists to me by the end of that same week (so roughly Jan 27<sup>th</sup>). Anyways, we are a few days past what I believe was your original estimate and, as such, I was wondering if you could up-date me on when you will now be able to provide the revised lists.

As you know, amongst other things, we agreed at the meeting that you would supplement the lists you have already provided by adding unit numbers and deposit amounts and a brief status description for each matter, and that you would also provide a list of non-active collection claims (as referenced, but not included, in paragraph 'e' of your letter to Brendan of Jan 20/17), a list of all claims where there has been a default judgment or a noting in default, a list of all claims in respect of which there has been a settlement, etc. As you know, we also agreed that, after we received the lists, that we would make arrangements for copies of all the pleadings to be provided to Northbridge (and, in this regard, you were to determine whether Blakes already had scanned copies of the pleadings or whether it would be necessary for us to agree to photocopy the pleadings from scratch).

In any event, Northbridge would like to receive your lists, obtain copies of the pleadings, have an opportunity to review the pleadings and cross-reference the pleadings, your lists and such information that Northbridge has at its disposal (including the deposit information provided by Harris Shaeffer) against each other AND then follow up with you thereafter with any questions it might have in order to reconcile any inconsistencies or fill in any gaps that still remain, all before the next return date in connection with the Receivership proceedings. As such, we would appreciate receiving the lists in question from you as soon as possible, so that we can begin this process.

Thanks. I'll wait to hear from you.

Robert W. Calderwood  
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APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, Court File No:  
AS AMENDED, AND SECTION 243 OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. CV-16-11573-00CL  
1985, C. B-3 AS AMENDED

JCF CAPITAL ULC and Talon International Inc. et al.  
Applicant Respondents

<p><b>ONTARIO</b></p> <p><b>SUPERIOR COURT OF JUSTICE</b> <b>(COMMERCIAL LIST)</b></p> <p>Proceeding Commenced at Toronto</p>
<p><b>AFFIDAVIT OF ROBERT CALDERWOOD</b></p>
<p><b>DELZOTTO, ZORZI LLP</b> Barristers and Solicitors 4810 Dufferin Street, Unit D Toronto, Ontario, M3H 5S8 Fax: 416-665-9653</p>
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<p><b>GOLDMAN SLOAN NASH &amp; HABER LLP</b> Barristers and Solicitors Suite 1600, 480 University Avenue Toronto, Ontario, M5G 1V2 Fax: 416-597-3370</p>
<p><b>R. Brendan Bissell</b> LSUC #: 40354V Tel: 416-597-6489 Email: <a href="mailto:bissell@gsnh.com">bissell@gsnh.com</a></p>

Lawyers for Northbridge General Insurance Company

APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C.43, AS AMENDED, Court File No:  
AND SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3 AS AMENDED CV-16-11573-00CL

JCF CAPITAL ULC and Talon International Inc. et al.  
Applicant Respondents

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding Commenced at Toronto

**MOTION RECORD**  
**of Northbridge General Insurance Company**  
(re: disclosure by Talon about claims returnable March  
16, 2017)

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