

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

IN THE MATTER OF AN APPLICATION PURSUANT  
TO RULE 14.05(2) OF THE ONTARIO RULES OF CIVIL PROCEDURE, R.R.O. 1990,  
Reg. 194 AND SECTION 35 OF THE PARTNERSHIPS ACT, R.S.O. 1990, c. P.5

IN THE MATTER OF AN APPLICATION PURSUANT TO  
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.R.O. 1990, c. C. 43

BETWEEN:

JAMES HAGGERTY HARRIS

Applicant

- and -

BELMONT DYNAMIC GROWTH FUND,  
an Ontario limited partnership

Respondent

**MOTION RECORD**  
**Returnable October 21, 2009**

October 16, 2009

STIKEMAN ELLIOTT LLP  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Canada M5L 1B9

**Elizabeth Pillon LSUC#35638M**  
Tel: (416) 869-5623  
Fax: (416) 947-0866

Lawyers for KPMG Inc.

TO: The Attached Service List

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

IN THE MATTER OF AN APPLICATION PURSUANT  
TO RULE 14.05(2) OF THE *ONTARIO RULES OF CIVIL PROCEDURE*, R.R.O. 1990,  
Reg. 194 AND SECTION 35 OF THE *PARTNERSHIPS ACT*, R.S.O. 1990, c. P.5

IN THE MATTER OF AN APPLICATION PURSUANT TO  
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.R.O. 1990, c. C. 43

BETWEEN:

JAMES HAGGERTY HARRIS

Applicant

- and -

BELMONT DYNAMIC GROWTH FUND,  
an Ontario limited partnership

Respondent

**INDEX**

**TAB**

- 1 Notice of Motion, returnable October 21, 2009
- 2 Draft Claims Procedure Order

# TAB 1

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

IN THE MATTER OF AN APPLICATION PURSUANT  
TO RULE 14.05(2) OF THE ONTARIO *RULES OF CIVIL PROCEDURE*, R.R.O. 1990,  
Reg. 194 AND SECTION 35 OF THE *PARTNERSHIPS ACT*, R.S.O. 1990, c. P.5

IN THE MATTER OF AN APPLICATION PURSUANT TO  
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.R.O. 1990, c. C. 43

B E T W E E N:

JAMES HAGGERTY HARRIS

Applicant

- and -

BELMONT DYNAMIC GROWTH FUND,  
an Ontario limited partnership

Respondent

**NOTICE OF MOTION  
(returnable October 21, 2009)**

The Receiver will make a motion to a judge presiding over the Commercial List on Wednesday, October 21, 2009 at 10:00 am or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

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

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

THE MOTION IS FOR:

- (a) Abridging the time for service and filing of this Notice of Motion and the Report of the Receiver dated October 19, 2009 (the "**First Report**") and, together with the Notice of Motion, the "**Motion Record**") and dispensing with service of the Motion Record on any interested party other than those served with these proceedings, if necessary;
- (b) An Order approving a claims procedure for the calling and determination of claims by creditors and other claimants against the Belmont Dynamic Growth Fund (the "**Belmont Fund**") as at the initial receivership date, substantially in the form of the draft order attached to this Motion, and the establishment of claims bar dates for filing proofs of claim;
- (c) Acceptance and approval of the Receiver's First Report and approving the activities of the Receiver described therein; and
- (d) Such further and other relief as to this Honourable Court deems just.

THE GROUNDS FOR THE MOTION ARE:

- (a) On August 6, 2009, KPMG Inc. was appointed Receiver and Manager of the Belmont Fund, pursuant to the Order of Justice Mesbur (the "**Initial Receivership Date**");
- (b) The Belmont Fund is an investment fund that was established as a limited partnership pursuant to a Limited Partnership Agreement (the "**LP Agreement**") between Belmont Dynamic GP Inc. (the "**General Partner**"), as general partner, and 135 limited partners (the "**Limited Partners**");

- (c) RBC Phillips, Hager & North Investment Counsel Inc. (“**RBC PH&N IC**”) acts as the portfolio manager for 126 of the 135 Limited Partners and its affiliate, RBC Dominion Securities Inc. (“**RBCDS**”), acts as portfolio manager for 4 of the Limited Partners and maintains brokerage accounts for the remaining 5 Limited Partners;
- (d) The Belmont Fund entered into certain forward contracts, which allowed it to obtain exposure to the returns of the Belmont Dynamic Growth Segregated Portfolio (the “**Underlying Fund**”) without having a direct interest in the Underlying Fund;
- (e) Harcourt, one of two shareholders of the General Partner, is an investment management firm that advises the Underlying Fund;

#### **Receiver’s Activities to Date**

- (f) Since its appointment, the Receiver has undertaken various actions including, among others, securing books and records of the Belmont Dynamic Growth Fund, meeting with parties to obtain background information in respect of the Belmont Fund, the Underlying Fund and historical events prior to the receivership, establishing a public communication programs and generally safeguarding the known assets of the Belmont Fund;

#### **Vontobel Redemption Requests Claim**

- (g) Historically, two redemption requests were made by Vontobel in respect of the Underlying Fund. The redemption requests were the subject of the Redemption Claim Application;

- (h) In the initial appointment order, the Court ordered that the Redemption Claim Application was to be addressed by the Receiver and the Court hearing the Dissolution Hearing;
- (i) The Receiver continues to investigate the claims in the Redemption Claim Application and a potential resolution thereof, and will provide a further update to the Court regarding its recommendations in respect of the Redemption Claim Application;

### **Claims Process**

- (j) It is advisable and prudent to implement a claims procedure as soon as possible to identify and quantify the claims of creditors and other claimants as against the Belmont Fund, as at the Initial Receivership Date;
- (k) The key provisions of the proposed claims process are summarized in the First Report of KPMG Inc., dated October 19, 2009;
- (l) The claims process, if approved, will establish a claims bar date of 4:00 pm (Eastern Standard Time) on December 5, 2009;
- (m) The claims process, if approved, will involve general notice being provided by the Receiver via newspaper publication[s] and website posting;
- (n) The claims process, if approved, will permit the Receiver to address the equity claims of and on behalf of unitholders' in the Belmont Fund (the "Unitholders"), based on the books and records and statements provided by RBC PH&N IC and RBCDS in lieu of requiring formal proofs of claims to be filed by unitholders in respect of their equity claims;



- (o) The Receiver recommends that the claims of the Unitholders be calculated on the basis of the units held by the Unitholder at the Initial Receivership Date;
- (p) The Receiver may revise or disallow any proof of claim of a claimant, in whole or in part, by issuing a Notice of Revision or Disallowance, substantially in the form attached to the draft Order attached to the Motion Record. The Receiver will issue its Notice of Revision or Disallowance prior to any distribution;
- (q) Any claimant may dispute any notice of revision or disallowance of its claim by delivering a Notice of Dispute, substantially in the form attached to the draft Order attached to the Motion Record, within 30 calendar days of from the date of receipt of the Notice of Disallowance, failing which the claim will be as outlined in the Notice of Revision and Disallowance, for distribution and other purposes; and
- (r) Such further and other grounds as counsel may advise and this Honourable Court permit.

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

- (a) Affidavit of Robert Gray McDonald, sworn on July 30, 2009;
- (b) First Report of the Receiver, dated October 19, 2009; and
- (c) Such further and other material as counsel submits and this Honourable Court accepts.

October 16, 2009

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Canada M5L 1B9

**Elizabeth Pillon** LSUC#: 35638M  
Tel: (416) 869-5623  
Fax: (416) 861-0445

Lawyers for KPMG Inc.

TO: The Attached Service List

JAMES HAGGERTY HARRIS

Applicant

and

BELMONT DYNAMIC GROWTH  
FUND, an Ontario limited partnership

Respondent

Court File No: 09-0302-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**NOTICE OF MOTION  
(RETURNABLE OCTOBER 21, 2009)**

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Canada M5L 1B9

**Elizabeth Pillon** LSUC#: 35638M  
Tel: (416) 869-5623  
Fax: (416) 861-0445

Lawyers for KPMG Inc.

# TAB 2

**ONTARIO  
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST**

THE HONOURABLE ) WEDNESDAY, THE 21<sup>st</sup>  
)  
) DAY OF OCTOBER, 2009

IN THE MATTER OF AN APPLICATION PURSUANT  
TO RULE 14.05(2) OF THE ONTARIO *RULES OF CIVIL PROCEDURE*, R.R.O. 1990,  
Reg. 194 AND SECTION 35 OF THE *PARTNERSHIPS ACT*, R.S.O. 1990, c. P.5

IN THE MATTER OF AN APPLICATION PURSUANT TO  
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.R.O. 1990, c. C. 43

B E T W E E N:

JAMES HAGGERTY HARRIS

Applicant

- and -

BELMONT DYNAMIC GROWTH FUND,  
an Ontario limited partnership

Respondent

**CLAIMS PROCEDURE ORDER**

**THIS MOTION**, made by the Receiver of Belmont Dynamic Growth Fund, for an order approving the procedures and bar dates described in the First Report of the Receiver (the "**First Report**"), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Motion and the First Report, and on hearing the submissions of counsel for the Applicants, the Receiver and others, and on being advised that the Service List was served with the Notice of Motion herein:

## DEFINITIONS

1. **THIS COURT ORDERS** that for purposes of this Order the following terms shall have the following meanings:
  - a) "Belmont Fund" means the Belmont Dynamic Growth Fund;
  - b) "Business Day" means a day, other than a Saturday or a Sunday, on which banks are generally open for business in Toronto, Ontario;
  - c) "Claim" means any right or claim of any Person against the Belmont Fund in connection with any indebtedness, liability or obligation of any kind whatsoever of the Belmont Fund, whether reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including without limitation any claim arising from or caused by the repudiation by the Belmont Fund of any contract, lease or other agreement, whether written or oral, the commission of a tort (intentional or unintentional), any breach of duty (legal, statutory, equitable, fiduciary or otherwise), any right of ownership or title to property, employment, contract, a trust or deemed trust, howsoever created, any claim made or asserted against the Belmont Fund or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any grievance, matter, action, cause or chose in action, whether existing at present or commenced in the future, based in whole or in part on facts which existed on the Receivership Filing Date, together with any other claims of any kind that, if unsecured, would constitute a debt provable in bankruptcy within the meaning of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3; provided that "Claim" shall not include any Excluded Claim. For greater certainty, a Creditor entitled to claim for interest under its applicable agreement with the Belmont Fund may claim for interest which has accrued on its Claim as of the Receivership Filing Date, but no claim for interest shall be made for interest accruing after that date;
  - d) "Claims Bar Date" means 4:00 p.m. (Eastern Daylight Time) on December 5, 2009, or such other date as may be ordered by the Court;

- e) "Claims Package" means the document package which shall include a copy of the Instruction Letter, a Proof of Claim and such other materials as the Receiver considers necessary or appropriate;
- f) "Claims Procedure" means the procedures outlined in this order in connection with the assertion of Claims against the Belmont Fund, as amended or supplemented by further order of the Court;
- g) "Court" means the Ontario Superior Court of Justice (Commercial List);
- h) "Creditor" means any Person asserting a Claim;
- i) "Excluded Claim" means (i) any Claims with respect to goods and/or services provided to the Belmont Fund after the Receivership Filing Date in accordance with the Initial Appointment Order; (ii) the .001% interest held by the Belmont Dynamic GP Inc.; (iii) the Unitholders' Claims or (iv) other Claims ordered by the Court to be treated as Excluded Claims;
- j) "Governmental Agency" means any federal, provincial, state or local government, agency or instrumentality thereof or similar entity, howsoever designated or constituted exercising executive, legislative, judicial, regulatory or administrative functions in Canada, the United States, or elsewhere;
- k) "Initial Appointment Order" means the Initial Order of the Honourable Mme. Justice Mesbur of the Ontario Superior Court of Justice (Commercial List) dated August 6, 2009, as may be amended from time to time;
- l) "Instruction Letter" means the letter regarding completion of a Proof of Claim, which letter shall be substantially in the form attached hereto as Schedule "C";
- m) "Known Creditors" means creditors which the books and records of the Belmont Fund disclose were owed money by the Belmont Fund as at the Receivership Filing Date which obligation remains unpaid in whole or in part;
- n) "Limited Partners" means the 135 limited partners of the Belmont Fund;
- o) "Notice to Creditors" means the notice substantially in the form attached hereto as Schedule "A";

- p) "Person" means any individual, partnership, firm, joint venture, trust, entity, corporation, body corporate, unincorporated association or organization, trade union, employee or other association, Governmental Agency, or similar entity, howsoever designated or constituted and any individual or other entity owned or controlled by or which is the agent of any of the foregoing;
- q) "Proof of Claim" means the form to be completed and filed by a Creditor setting forth its purported Claim, which proof of claim shall be substantially in the form attached hereto as Schedule "B";
- r) "RBC" means, collectively, RBC Phillips, Hager & North Investment Counsel Inc. ("RBC PH&N IC") and RBC Dominion Securities Inc. ("RBCDS");
- s) "Receiver " means KPMG Inc., in its capacity as the Court-appointed Receiver of the Belmont Fund;
- t) "Receivership Filing Date" means August 6, 2009;
- u) "Unitholders' Claim" means any claim filed by or on behalf of the Limited Partners of the Belmont Fund in respect of their equity holdings in the Belmont Fund.

### **NOTICE OF CLAIMS**

2. **THIS COURT ORDERS** that the form of notice to Limited Partners of the making of this Order attached as Schedule "F" hereto is approved and RBC is authorized and directed to send a notice, substantially in the form attached as Schedule "F" to each Limited Partner within fourteen (14) calendar days of the date of this Order.
3. **THIS COURT ORDERS** that the Receiver shall publish a Notice to Creditors and any other claimants against the Belmont Fund, substantially in the form attached hereto as Schedule "A", on the Receiver's website and on one occasion in the following publications within twenty (20) calendar days of the date of this Order - the Globe and Mail (National Edition) and La Presse.



4. **THIS COURT ORDERS** that the Receiver shall post the Notice to Creditors and the Claims Package on the Receiver's website (at [www.kpmg.ca/belmontfund](http://www.kpmg.ca/belmontfund)) within ten (10) calendar days of the date of this Order.
5. **THIS COURT ORDERS** that the Receiver shall cause a copy of the Claims Package to be sent to any Known Creditors of the Belmont Fund, and any Person requesting such material as soon as practicable.

**PROOFS OF CLAIM**

6. **THIS COURT ORDERS** that, subject to paragraph 7 below, every Creditor asserting a Claim against the Belmont Fund shall set out its aggregate Claim in a Proof of Claim and deliver that Proof of Claim to the Receiver so that it is actually received by no later than the Claims Bar Date.
7. **THIS COURT ORDERS** that Limited Partners shall not be required to deliver a Proof of Claim to the Receiver in respect of their Unitholders' Claim; provided that this exception shall not apply to any Claim other than a Unitholders' Claim.
8. **THIS COURT ORDERS** that the Receiver is authorized and directed for purposes of determining the Unitholders' Claim, to rely on the books and records and statements maintained by RBC. The Receiver may seek further advice and directions of this Court, if required, in respect of the Unitholders' Claim.
9. **THIS COURT ORDERS** that, subject to paragraph 7, any Creditor who does not deliver a Proof of Claim in respect of a Claim in accordance with paragraph 6 shall be forever barred from asserting such Claim against the Belmont Fund and such Claim shall be forever extinguished and any holder of such Claim shall not be entitled to participate as a Creditor in these

proceedings or receive any further notice in respect of these proceedings or the Claims Procedure and shall not be entitled to receive any distributions from the Belmont Fund, or the Receiver on behalf of the Belmont Fund, in respect of such Claim.

**FORM OF PROOFS OF CLAIM**

10. **THIS COURT ORDERS** that any Claim denominated in any currency other than U.S. dollars shall, for the purposes of this Order, be converted to and shall constitute obligations in U.S. dollars, such calculation to be effected using the noon spot rate as at the Receivership Filing Date (Canadian dollar claims are to be converted at the rate of CDN\$1 = US\$1.0759).

**DETERMINATION OF CLAIMS**

11. **THIS COURT ORDERS** that the Receiver may disallow any proof of claim in whole or in part by delivering a Notice of Revision or Disallowance substantially in the form attached hereto as Schedule "D".
12. **THIS COURT ORDERS** that any Creditor who wishes to dispute the revision or disallowance of its Claim as asserted in its Proof of Claim pursuant to a Notice of Revision or Disallowance shall do so by delivery of a Notice of Dispute substantially in the form attached hereto as Schedule "E" within 30 calendar days from the date of receipt of the Notice of Revision or Disallowance, failing which the amount of the claim as outlined in the Notice of Revision or Disallowance shall be deemed binding for distribution and all other purposes.
13. **THIS COURT ORDERS** that the applicable procedures for determining any Claims disputed pursuant to a Notice of Dispute delivered in accordance with paragraph 12, shall be established by further Order of the Court. Notice of such procedures shall be provided to the service list in this Receivership

proceeding and any Person who has filed a Proof of Claim against the Belmont Fund in accordance with the Claims Procedure.

**NOTICE OF TRANSFEREES**

14. **THIS COURT ORDERS** that if a Creditor or any subsequent holder of a Claim who has been acknowledged by the Receiver as the holder of the Claim transfers or assigns that Claim to another Person, neither the Belmont Fund nor the Receiver shall be required to give notice to or to otherwise deal with the transferee or assignee of the Claim as the holder of such Claim unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, has been delivered to the Receiver. Thereafter, such transferee or assignee shall, for all purposes hereof, constitute the holder of such Claim and shall be bound by notices given and steps taken in respect of such Claim.
  
15. **THIS COURT ORDERS** that if a Creditor who has been acknowledged by the Receiver as the holder of the Claim transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person or Persons, such transfers or assignments shall not create separate Claims and such Claims shall continue to constitute and be dealt with as a single Claim notwithstanding such transfers or assignments. Neither the Belmont Fund nor the Receiver shall, in each such case, be required to recognize or acknowledge any such transfers or assignments and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim provided such Creditor may, by notice in writing delivered to the Belmont Fund and the Receiver, direct that subsequent dealings in respect of such Claim, but only as a whole, shall be dealt with by a specified Person and in such event, such Person shall

be bound by any notices given or steps taken in respect of such Claim with such Creditor.

**GENERAL PROVISIONS**

16. **THIS COURT ORDERS** that the Receiver, in addition to its prescribed rights and obligations under the *BIA* and under the Initial Appointment Order, shall assist the Belmont Fund in connection with the matters described herein, and is hereby authorized and directed to take such other actions and fulfill such other roles as are contemplated by this Order and such other roles in keeping with its position as an officer of this Court.
17. **THIS COURT ORDERS** that any notice or communication (including, without limitation, Proofs of Claim) to be given under this Order by a Creditor to the Receiver shall be in writing and, where applicable, in substantially the form provided for in this Order and will be sufficiently given only if delivered by electronic mail, facsimile, courier, personal delivery or prepaid mail addressed to:

KPMG Inc., Court-appointed receiver and manager of Belmont  
Dynamic Growth Fund  
199 Bay Street, Suite 3300  
Toronto, ON M5L 1B2  
Attention: Johnny Chow  
Phone: 1-866-602-6745  
Fax: 416-777-3364  
Email: belmontfund@kpmg.ca

Any such notice or other communication by a Creditor shall be deemed received only upon actual receipt thereof during normal business hours on a Business Day.

18. **THIS COURT ORDERS** that any notice or other communication to be given in connection with this Order by the Belmont Fund or the Receiver to a Creditor, other than the Notice to Creditors to be published as provided in paragraph 3 herein, shall be in writing. Such notice or other communication will be sufficiently given to a Creditor if given by prepaid ordinary mail, by courier, by delivery or by facsimile transmission or electronic mail to the Creditor to such address, facsimile number or e-mail address appearing in the books and records of the Belmont Fund and Partnerships or in any Proof of Claim filed by the Creditor. Any such notice or other communication, (a) if given by prepaid ordinary mail, shall be deemed received on the third (3<sup>rd</sup>) Business Day after mailing within Ontario, the fifth (5<sup>th</sup>) Business Day after mailing elsewhere within Canada or to the United States and the tenth (10<sup>th</sup>) Business Day after mailing internationally; (b) if given by courier or delivery shall be deemed received on the next Business Day following dispatch; (c) if given by facsimile transmission or electronic mail before 5:00 p.m. on a Business Day shall be deemed received on such Business Day; and (d) if given by facsimile transmission or electronic mail after 5:00 p.m. on a Business Day shall be deemed received on the following Business Day.
19. **THIS COURT ORDERS** that in the event that the day on which any notice or communication required to be delivered pursuant to the Claims Procedure is not a Business Day then such notice or communication shall be required to be delivered on the next Business Day.
20. **THIS COURT ORDERS** that if, during any period during which notices or other communication are being given pursuant to this Order a postal strike or postal work stoppage of general application should occur, such notices or other communications then not received or deemed received shall not, absent further Order of this Court, be effective. Notices and other communications given hereunder during the course of any such postal strike or work stoppage

of general application shall only be effective if given by electronic mail, courier, delivery or facsimile transmission in accordance with this Order.

21. **THIS COURT ORDERS** that references to the singular shall include the plural, references to the plural shall include the singular and to any gender shall include the other gender.
  
  22. **THIS COURT ORDERS AND REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States and the states or other subdivisions of the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this order.
-

## Schedule "A"

### Notice to Creditors

#### In the Matter of the Receivership of the Belmont Dynamic Growth Fund

#### NOTICE TO THE CREDITORS AND ANY OTHER CLAIMANTS OF BELMONT DYNAMIC GROWTH FUND

On August 6, 2009, the Ontario Superior Court of Justice (Commercial List) appointed KPMG Inc. as the receiver and manager (the "Receiver") of the assets, undertakings and properties of Belmont Dynamic Growth Fund (the "Belmont Fund"). Belmont Fund is an investment fund that was established as a limited partnership pursuant to a Limited Partnership Agreement between Belmont Dynamic GP Inc., as general partner, and the limited partners.

On October 21, 2009, the Receiver obtained an Order (the "Claims Procedure Order") authorizing a process for creditors and any other claimants of the Belmont Fund to prove a claim against the Belmont Fund. The Receiver has made all relevant Court documents, including the Claims Procedure Order, and other information available at [www.kpmg.ca/belmontfund](http://www.kpmg.ca/belmontfund).

Proofs of claim must be filed with the Receiver by December 5, 2009 at 4:00 pm (Eastern Standard Time). **Failure to submit your claim by the prescribed date will result in your claim being forever barred and extinguished.**

For information regarding the Belmont Fund's claims procedure please refer the materials available online at [www.kpmg.ca/belmontfund](http://www.kpmg.ca/belmontfund). Alternatively, the Receiver can be contacted at the address below, by telephone at 1-866-602-6745 or by email to [belmontfund@kpmg.ca](mailto:belmontfund@kpmg.ca).

KPMG Inc., in its capacity as  
Court-appointed receiver and manager of  
Belmont Dynamic Growth Fund  
199 Bay Street, Suite 3300  
Toronto ON M5L 1B2  
Attention: Johnny Chow

Schedule "B"

Proof of Claim
(creditors and other claimants)

PROOFS OF CLAIM MUST BE DELIVERED BY EMAIL, FACSIMILE, COURIER, PERSONAL DELIVERY OR PREPAID MAIL ADDRESSED TO THE FOLLOWING ADDRESS:

KPMG Inc., Court-appointed receiver and manager of Belmont Dynamic Growth Fund
199 Bay Street, Suite 3300
Toronto ON M5L 1B2
Attention: Johnny Chow
Telephone: 1-866-602-6745
Fax: 416-777-3364
Email: belmontfund@kpmg.ca

PROOFS OF CLAIM MUST BE RECEIVED BY THE RECEIVER NO LATER THAN 4:00 PM (EASTERN STANDARD TIME) ON DECEMBER 5, 2009. FAILURE TO SUBMIT YOUR CLAIM BY THE PRESCRIBED DATE WILL RESULT IN YOUR CLAIM BEING FOREVER BARRED AND EXTINGUISHED.

In the matter of the James Haggerty Harris v. Belmont Dynamic Growth Fund, a Limited Partnership, of the City of Toronto in the Province of Ontario and the claim of \_\_\_\_\_, creditor.

I, \_\_\_\_\_ (name of creditor or representative of creditor), of \_\_\_\_\_ (city and province), do hereby certify:

- 1. That I am a creditor of the above-named debtor (or that I am \_\_\_\_\_ (state position or title) of \_\_\_\_\_ (name of creditor or of the representative of the creditor).
2. That I have knowledge of all the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of receivership, namely the 6th day of August, 2009, and still is, indebted to the creditor in the sum of \$ \_\_\_\_\_, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account, or affidavit or must specify the voucher or other evidence in support of the claim.)
4. (Check and complete appropriate category.)

[ ] A. UNSECURED CLAIM OF \$ \_\_\_\_\_
That in respect of this debt, I do not hold any assets of the debtor as security.

[ ] B. SECURED CLAIM OF \$ \_\_\_\_\_
That in respect of this debt, I hold assets of the debtor valued at \$ \_\_\_\_\_ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

(Note: claims in a currency other than Canadian dollars are to be converted to Canadian dollars at the rate of Cdn\$1 = US\$1.0759.

[ ] C. CLAIM BY A WAGE EARNER OF \$ \_\_\_\_\_

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_ Witness

\_\_\_\_\_ Creditor

Name: \_\_\_\_\_

Full Mailing Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.



## Schedule "C"

### Notice to Creditors of the Belmont Dynamic Growth Fund INSTRUCTION LETTER FOR COMPLETING THE PROOF OF CLAIM

On August 6, 2009, KPMG Inc. was appointed Receiver and Manager of the Belmont Dynamic Growth Fund (the "Belmont Fund") pursuant to Order of Madam Justice Mesbur (the "Initial Order").

On October 21, 2009, the Receiver was granted an order (the "Claims Procedure Order") that establishes a process for creditors to prove claims against the Belmont Fund. Copies of the Initial Order and Claims Procedure Order can be found at [www.kpmg.ca/belmontfund](http://www.kpmg.ca/belmontfund).

**Proofs of claim must be received by the Receiver by 4:00 pm (Eastern Standard Time) on December 5, 2009 (the "Claims Bar Date"). Failure to submit your claim by the prescribed date will result in your claim being forever barred and extinguished.**

In order to have a valid claim as a creditor of the Belmont Fund in Receivership, the enclosed Proof of Claim form must be properly completed and delivered to the Receiver, KPMG Inc. of the Belmont Fund.

This instruction letter is provided to assist you in preparing the accompanying Proof of Claim form in a complete and accurate manner. Creditors who require a proof of claim may download a form from the Receiver's website ([www.kpmg.ca/belmontfund](http://www.kpmg.ca/belmontfund)) or they may contact the Receiver at the address below for a copy of the form.

#### 1 - General

- Ensure you include your complete name, address, telephone number and account number on the Proof of Claim.
- If you are completing the Proof of Claim on behalf of a corporation or other person, you must state the title or capacity in which you are acting.
- You must have knowledge of the circumstances connected with the claim.
- Please check (x) the type of claim which applies to you on the Proof of Claim form.
- The Proof of Claim form is incomplete UNLESS it has been signed and witnessed. The Proof of Claim must be dated and signed personally by the individual completing it. The signature of a witness is required.

#### 2 - Unsecured Creditors

Amounts owed should be filed as an **Unsecured Claim** (Part 4A on the Proof of Claim form). The Proof of Claim is incomplete unless you include a statement (marked as "Schedule A") setting out particulars of the claim. The balance on this statement must be complete and agree with the balance claimed by you as of the date of receivership, August 6, 2009. Schedule A should be a detailed statement of account in respect of the Claim, including, but not limited to the date, number and amount of all invoices or charges, together with the date, number and amount of all credits or payments. If an affidavit is attached, it must have been sworn to before a person qualified to take affidavits.

#### 3 - Delivery of Proof of Claim to the Receiver

The Proof of Claim should be delivered to the Receiver at the following address:

**KPMG Inc., in its capacity as  
Court-appointed receiver and manager of  
Belmont Dynamic Growth Fund**

**199 Bay Street, Suite 3300  
Toronto ON M5L 1B2  
Attention: Johnny Chow  
Email: [belmontfund@kpmg.ca](mailto:belmontfund@kpmg.ca)**

Proofs of claim must be received by 4:00 pm (Eastern Standard Time) on December 5, 2009.

**CLAIMS WHICH ARE NOT RECEIVED BY THE CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.**

**NOTE: If there are any questions in completing this Proof of Claim, please contact the Receiver at the address above, call the informational line at 1-866-602-6745 or send email to [belmontfund@kpmg.ca](mailto:belmontfund@kpmg.ca).**

**Schedule "D"**

Court File No. 09-8308-00CL

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

**IN THE MATTER OF THE RECEIVERSHIP OF  
BELMONT DYNAMIC GROWTH FUND**

**NOTICE OF REVISION OR DISALLOWANCE OF CLAIM**

**TO:**

Name of Creditor: \_\_\_\_\_

Reference #: \_\_\_\_\_

**RE:           Your Claim Against Belmont Dynamic Growth Fund**

Take notice that KPMG Inc., in its capacity as Court-appointed receiver and manager (the "Receiver") of the assets, undertakings and properties of Belmont Dynamic Growth Fund (the "Belmont Fund"), has revised and/or disallowed your claim in the amount of \$●/ in whole or in part for the following reasons:

And further take notice that in accordance with the Claims Procedure Order of the Court dated October 21, 2009, if you are dissatisfied with the Receiver's decision in respect of your claim, you may dispute the Receiver's decision to the Court by no later than 30 calendar days from the receipt of this Notice of Revision or Disallowance. A copy of the Claims Procedure Order and form of Notice of Dispute may be obtained on the Receiver's website at [www.kpmg.ca/belmontfund](http://www.kpmg.ca/belmontfund), or by contacting the undersigned at the address below.

Address for service of Notices of Dispute:

**KPMG Inc., in its capacity as  
Court-appointed receiver and manager of  
Belmont Dynamic Growth Fund  
199 Bay Street, Suite 3300  
Toronto ON M5L 1B2  
Attention: Johnny Chow**

**IF YOU FAIL TO TAKE THIS ACTION WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU FOR DISTRIBUTION AND OTHER PURPOSES.**

**DATED** at the City of Toronto, this ● day of ●, 20●.

KPMG Inc., in its capacity as  
Court-appointed receiver and manager of  
Belmont Dynamic Growth Fund  
199 Bay Street, Suite 3300  
Toronto ON M5L 1B2  
Attention: Johnny Chow

Per: \_\_\_\_\_

[Name]

[Title]

**Schedule "E"**

Court File No. 09-8308-00CL

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

**IN THE MATTER OF THE RECEIVERSHIP OF  
BELMONT DYNAMIC GROWTH FUND**

**NOTICE OF DISPUTE OF DISALLOWANCE OR REVISION OF CLAIM**

**TO:** KPMG INC., RECEIVER AND MANAGER OF BELMONT DYNAMIC GROWTH FUND  
**FROM:** Name of Creditor: \_\_\_\_\_  
**RE:** Reference #: \_\_\_\_\_

The creditor or claimant herein disputes the Notice of Revision or Disallowance of Claim dated the ● day of ●, 20●.

The creditor or claimant disputes the Notice of Disallowance of Claim for the reasons set out in the attached Appendix "A":

**[You must attach an Appendix "A" setting out the reasons for the dispute]**

**DATED** at the City of \_\_\_\_\_ this ● day of ●, 20●

\_\_\_\_\_  
CREDITOR OR CLAIMANT

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Phone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

THIS FORM AND SUPPORTING DOCUMENTATION TO BE RETURNED BY PERSONAL SERVICE, EMAIL, FACSIMILE OR COURIER TO THE ADDRESS INDICATED HEREIN AND TO BE RECEIVED WITHIN 30 CALENDAR DAYS OF THE DATE OF THE NOTICE OF REVISION OR DISALLOWANCE, FAILING WHICH THE NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU FOR DISTRIBUTION OR OTHER PURPOSES.

Address for Service of Notice of Dispute:

KPMG Inc., in its capacity as  
Court-appointed receiver and manager of  
Belmont Dynamic Growth Fund  
199 Bay Street, Suite 3300  
Toronto ON M5L 1B2  
Attention: Johnny Chow

## Schedule "F"

### RBC NOTICE TO LIMITED PARTNERS

[Date]

[Address]

Dear Client,

#### **Re: Belmont Dynamic Growth Fund**

We are writing to you in connection with your investment in the Fund.

Further to our letter to you dated August 6, 2009, [●RBCDS or RBCPHN] determined that a Court supervised receivership and dissolution process would be the most appropriate way to dissolve the Fund. Further to this, an application was made to the Court for a Court-supervised receivership and dissolution of the Fund that is the subject of two separate Court hearings. At the first hearing on August 6, 2009, the court issued an order appointing KPMG Inc. as the Receiver and Manager of the Fund (the "Receiver"). The second hearing, which was originally scheduled to take place on August 27, 2009, took place on October 21, 2009 (the "Dissolution Hearing").

#### *Dissolution Hearing*

**[On October 21, 2009, the Court granted an order permitting the dissolution of the Fund to commence. The Receiver shall undertake the interim steps required to effect the dissolution and once these steps are effected, will file a certificate which will result in the final dissolution of the Fund.]**

#### *Claims Process*

On October 19, 2009 the Receiver issued its First Report to the Court (the "First Report"). A copy of the First Report is available for review at [www.kpmg.ca/belmontfund](http://www.kpmg.ca/belmontfund).

In the First Report, among other things, the Receiver advised the Court that it intends to undertake a claims process to quantify the liabilities of the Fund. While the Receiver is not yet in a position to make any distributions to the Unitholders of the Fund, the Receiver believes that it would be prudent to obtain this information as soon as possible. With respect to the number of units held in the Fund, the Receiver will be relying upon the records of [●RBCDS or RBCPHN] and will not be requesting information from the Limited Partners, nor requiring the Limited Partners to file a claim in respect of their equity claims.

With respect to the claims process, the attached Notice will be published in the Globe and Mail and LaPresse within the next few weeks inviting any creditors or other claimants of the Fund to present their claims to the Receiver. **Please note this notice is not requesting you or any other RBC client to submit a proof of claim to the Receiver with respect to your investment in the Fund.** The information necessary to substantiate the unitholders' claims has been provided by RBC to the Receiver. If you wish details of the information relating to your unitholdings, as submitted to the Receiver, please contact the undersigned or the Receiver at [belmontfund@kpmg.ca](mailto:belmontfund@kpmg.ca).

If you have any other potential claims against the Fund, other than in respect of your unitholdings, it will be necessary to file a claim in accordance with the claims procedures in place, details of which can be found at [www.kpmg.ca/belmontfund](http://www.kpmg.ca/belmontfund). Please note the claims bar date has been set as December 5, 2009 at 4:00 pm (Eastern Standard Time).

Should you have any questions or concerns, please contact your Investment Counselor or KPMG at [●].

Yours truly,



JAMES HAGGERTY HARRIS

and

BELMONT DYNAMIC GROWTH  
FUND, an Ontario limited partnership

Court File No: 09-8302-00CL

Applicant

Respondent

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER**

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Canada M5L 1B9

**Elizabeth Pillon** LSUC#: 35638M  
Tel: (416) 869-5623  
Fax: (416) 861-0445

Lawyers for KPMG

JAMES HAGGERTY HARRIS

Applicant

and

BELMONT DYNAMIC GROWTH  
FUND, an Ontario limited partnership

Respondent

Court File No: 09-8302-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**MOTION RECORD  
(RETURNABLE OCTOBER 21, 2009)**

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Canada M5L 1B9

**Elizabeth Pillon** LSUC#: 35638M  
Tel: (416) 869-5623  
Fax: (416) 861-0445

Lawyers for KPMG Inc.