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February 2, 2010

Our File No. 4798.001/RKO

Mr. Harold Cecil Gaffney
c/o Mr. Anthony Jasich
#403 - 567 Lonsdale Avenue
North Vancouver, BC
V7M 2G6

Dear Sir:

**Re: Court file S102880, CA34717, CA35415,
CA35077, CA35577, SCC32316, SCC32381
Sheila Frances Gaffney v Harold Cecil Gaffney**

This letter to you is in answer to your letter of February 1, 2010.

The Order of Bernard J. is called a vesting order because through the registration of that order in the Land title Office, the title of the property described in the Order vests in the purchaser, without the necessity of a transfer signed by the former owner (you and Sheila). Before the filing, you owned a one-half interest, which was encumbered by the Mortgage to the CIBC, and by the Court Orders permitting the petitioner (Sheila) to deduct from your proceeds, all of her costs in those various proceedings.

Your entitlement to share in the proceeds was reduced, first by payment of the Mortgage, then by the Orders granted to the Petitioner (Sheila) at all levels of Court, granting her costs against you. Those costs orders are part of each of the judgments, and yes they are judgments against you. In the BC Supreme Court, the Bill of Costs, measured as Party and Party costs, is reflected in the Bill of Costs that was forwarded to you for your approval, but which you have ignored. You filed four Appeals. Each of those was dismissed with costs against you. That is four more judgments against you for costs. One of those also ordered that you not be permitted to bring

any further matters before that Court without specific permission from the Court, and granted costs to the Respondent (Sheila) to be measured as Special Costs. Those Bills of costs have again been forwarded to you and ignored. You have also brought two Appeals from the BC Court of Appeal to the Supreme Court of Canada. Both were dismissed with costs to the Respondent (Sheila).

All of those costs are payable by you to Sheila. Each of the Court Orders provided that the costs of each action were to be taken from your share of the proceeds of sale of the property, upon completion. There was a provision in the vesting Order that you could have the costs assessed, but you need not do that if you didn't disagree with the costs as set out in the various Bills of Costs. You have chosen not to have any of the Bills of costs assessed, so they remain as originally submitted to you. Assessment would of course increase the amounts of each by the extra costs associated with the assessments. The result would be to increase the deficit in your share of the proceeds of sale of the property.

The result of all of this remains as set out in the Certificate of Result of Sale. There isn't enough money in your one-half interest in the property to cover the Costs of the Supreme and Appeal Courts, the Supreme Court of Canada, and Mr. Rowan's Costs. You would need at least another \$8,000.00, and that is without any extra added for Assessment of costs.

The Certificate of Result of Sale, along with all of the Bills of Costs, could be finalized and filed if you would endorse them, but as you have refused to do so, they will remain as they are and the Court file will remain incomplete.

Because the transfer of the property was done by Court Order rather than in the ordinary way of conveyancing practice, there is no "Statement of Adjustments". The Certificate of Result of Sale fills that role.

There is nothing that remains owing to you, as all of your "undivided one half interest" in the property was needed to fulfill your obligations, leaving a deficit as set out in the Certificate of result of Sale.

Your reference to the application before Mr. Justice Tysoe is incorrect. All that occurred on that

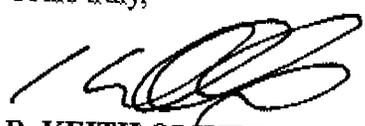
I want the court to be advised that

application was for the Court to point out that the application to dispense with your signature on those Orders should be heard, not by a Judge in chambers, but by the Registrar on an application to Settle the Order. You were advised in Court on that occasion, that as there were insufficient funds in your proceeds of sale, the Petitioner (Sheila) would not be bringing on any further applications, so if you wished the Orders in the Court of Appeal settled and filed, or any of the Bills of Costs assessed, you would need to bring on the applications yourself. You have not done so, leaving us to conclude that you agree with the Bills of Costs as provided to you and that you do not wish to drive those costs higher than they already are.

If you truly want the Court files to show the conclusion of these matters you need either to sign the documents that have been forwarded to you for your signature, or to find enough more money to pay for the various applications that would have that result, and to retire the deficit in the Costs awarded to the Petitioner.

I am sorry that you remain without a full understanding of the process. I am aware that you rely upon Mr. Jasich to assist you to understand the process, and quite obviously he has been of limited assistance. I suggest you consult with a practicing lawyer who will be better able to explain to you the effect of your actions and the meaning of the documents that I have provided to you.

Yours truly,


R. KEITH OLIVER

RKO:dp