

ONTARIO
SUPERIOR COURT OF JUSTICE OF
COMMERCIAL LIST

THE HONOURABLE

MR. JUSTICE (Clemming)

WEDNESDAY, THE 7TH

DAY OF NOVEMBER, 2007.

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF SAPPHIRE TOWER DEVELOPMENT CORP.

APPLICATION UNDER THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

ORDER

THIS MOTION was heard this day at Toronto, Ontario.

UPON READING the Affidavit of Paul Jeffrey, sworn October 18, 2007, filed and on hearing submissions of counsel for the Applicant, Jeffrey Family Holdings Inc. and the Interim Receiver reviewing the Consents, filed,

1. THIS COURT ORDERS that Stinson Financial Corporation be removed as the Trustee named and appointed in a Trust Agreement dated May 2, 2005 and the chargee of a second charge against lands municipally described as 66 Temperance Street in Toronto, Ontario registered and receipted as AT795779 with the registrar of land titles on May 5, 2005;
2. THIS COURT ORDERS that Jeffery Family Holdings Inc. or its nominee be appointed as the succeeding trustee under the Trust Agreement;
3. THIS COURT ORDERS THAT all assets held in trust by Stinson Financial Corporation under the Trust Agreement in Jeffery Family Holdings Inc. or its nominee as succeeding trustee be vested;
4. THIS COURT ORDERS THAT Stinson Financial Corporation to forthwith assign the

following to Jeffery Family Holdings Inc. or its nominee as trustee for all investors and their proportionate beneficial interests under the second charge set out in Schedule B to the Trust Agreement:

- i. - Charge/Mortgage granted by Sapphire to Stinson Financial Corporation receipted as AT795779 on May 5, 2005 in registerable form, or a vesting Order;
- ii. - Direction to Hacker Gignac Rice executed by SFC, in trust dated May 2, 2005;
- iii. - Notice of Assignment of Rents – General receipted as AT795890 on May 5, 2005 in registerable form, or a vesting Order;
- iv. - Guarantee and Indemnity executed by Harry Stinson on May 12, 2005;
- v. - General Security Agreement executed by Sapphire in favour of SFC, in trust dated May 2, 2005;
- vi. - Assignment given by Sapphire to SFC, in trust dated May 2, 2005;
- vii. - Subordination and Postponement Agreement executed by Harry Stinson in favour of SFC in trust dated May 2, 2005;
- viii. - Pledge and Assignment Agreement between Harry Stinson and Stinson Financial Corporation in trust dated May 2, 2005;

ix - Subordination and Postponement re: commissions, fees, etc.
to SFC, in trust and Hacker Gignac Rice executed by
Sapphire on May 2, 2005;

Nov 7/07

Peter A. Cumming J.

ENREGISTRÉ À TORONTO
DU BOOK NO.
LE / DANS LE REGISTRE NO

NOV 09 2007

PER/PAR

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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, as amended
IN THE MATTER OF THE A PLAN OF COMPROMISE OR ARRANGEMENT OF SAPPHIRE TOWER DEVELOPMENT CORP.

(Short title of proceeding)

Court File No. 07-CL-7109

ONTARIO SUPERIOR COURT
OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at Toronto

ORDER

Name, address and telephone number of solicitor or party

SIMPSON WIGLE LLP
Barristers, Solicitors and Trademark Agents
501 - 390 Brant Street
BURLINGTON, ON L7R 4J4

(905) 639-1052 Telephone
(905) 333-3960 Fax

Rosemary A. Fisher
Solicitors for Jeffery Family Holdings Inc.
LSUC #32238T