

APPENDIX "I"

ONTARIO

SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

SECURED CREDITOR PROOF OF CLAIM

A. DETAILS OF SECURED CREDITOR:

| | |
|-----------------------------------|---|
| (1) Full Legal Name: | <u>Turner Fleischer Architects Inc.</u> |
| (2) Full Mailing Address: | <u>67 Lesmill Road</u> |
| | <u>Toronto, ON M3T 2B8</u> |
| | <u> </u> |
| (3) Telephone Number (mandatory): | <u>416-425-2222</u> |
| (4) Facsimile Number: | <u>416-425-6717</u> |
| (5) E-mail Address (preferable): | <u>peter@tfai.com</u> |
| (6) Attention (Contact Person): | <u>Peter Turner</u> |
| | <u> </u> |

VI. CONSTRUCTION LIEN CLAIM BY TURNER FLEISCHER ARCHITECTS INC. (THE "LIEN CLAIM")

I, Peter Turner, [name of Secured Creditor or authorized representative of the Secured Creditor], of the City of Toronto in the Province of Ontario make oath and say as follows:

(a) I hold the position of President of Turner Fleischer Architects Inc. ("TFAI") which has made the Lien Claim against Sapphire Tower Development Corp. (the "Company") and have knowledge of all the circumstances connected with the Lien Claim described herein; and

(b) TFAI makes a Secured Creditor Claim under the Lien Claim as follows:

1) Amount owing under the Lien Claim as at January 14th, 2008
See attached

Amounts previously paid by the Company referable to the Lien Claim _____

2) Interest:

simple interest
 compound interest method of calculating _____

Rate: 8.0 % per annum

Total unpaid interest claimed as owing at January 14th: see attached

Per diem interest after January 14th. \$12.38

3) Costs payable referable to the Lien Claim

see attached

Total \$56,474.04

Attach proof of costs paid (such as legal bills) as well as the Claim for lien, Certificate of Action and evidence substantiating amounts payable under Lien Claim as exhibits to this Proof of Claim

Calculation of Amount Due Jan.14/08

| | | |
|--|--------------------|--------------------|
| Principal | 93,889.26 | |
| Interest to Mar.9/07 | <u>3,149.18</u> | |
| Due Mar.9/07 | 97,038.44 | |
| Payment | <u>(30,000.00)</u> | |
| Balance Mar.9/07 | 67,038.44 | |
| Interest @ 8% to Mar.30/07 | <u>308.49</u> | |
| Due Mar.30/07 | 67,346.93 | |
| Payment | <u>(35,000.00)</u> | |
| Balance Mar.30/07 | 32,346.93 | |
| Interest @8% to Apr.20/07 | <u>148.89</u> | |
| Due Apr.20/07 | | \$32,495.82 |
| Costs to Apr.20/07 | | <u>10,406.32</u> |
| Total due Apr.20/07 | | \$42,902.14 |
| Interest @8% to Jan.14/08 (269 days @ \$9.40/day) | | <u>\$ 2,529.46</u> |
| Subtotal | | \$45,431.60 |
| Costs from Apr.20/07 to Jan.14/08 | | <u>\$11,042.44</u> |
| Total Due Jan.14/08 | | \$56,474.04 |

VIII. DETAILS OF SECURED CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:


- (1) Have you acquired this Claim by Assignment or Transfer? (if yes, attach copies of documents evidencing assignment or transfer) Yes No
- (2) Is the Assignment or Transfer absolute or intended as security? Absolute Intended as security
- (3) Full Legal Name of original Secured Creditor: _____

The Proof of Claim must be provided to and received by the Interim Receiver on or before January 4th, 2008, at the following address:

BDO Dunwoody Limited
BCE Place
123 Front St. W., Ste. 1200
Toronto Ontario
M5J 2M2

Bruno Suppa
Tel: (416) 865-0210 Ext. 3465
Fax: (416) 865 0904
Email: BSuppa@bdo.ca

SWORN BEFORE ME at the City of)
Toronto, in the Province of Ontario,)
this 3rd day of January, 2008)



Leon Gavendo)



Name: (Print) Peter Turner
Title: President

Commissioner for Taking Affidavits, etc.