

APPENDIX “Q”

Court File No. 07-CL-7109

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:

PAGE, MARTIN LLP

(2) Full Mailing Address:

150 YORK ST., SUITE 800

TORONTO, ONTARIO

M5H 3B5

(3) Telephone Number (mandatory):

(416) 595-9935 x 340

(4) Facsimile Number:

(416) 595-1731

(5) E-mail Address (preferable):

kenpage@pagemartin.com

(6) Attention (Contact Person):

KEN PAGE

B. ITEMIZED CLAIMS

I. GRAPHIC ARTS BUILDING INCORPORATED MORTGAGE (THE "GA MORTGAGE")

I, _____, am the _____ of
Graphic Arts Building Incorporated of the City of _____ in the Province
of _____ make oath and say as follows:

- (a) Graphic Arts Building Incorporated holds a mortgage (the "Mortgage Holder") granted by Sapphire Tower Development Corp. (the "Company"); and
- (b) the Mortgage Holder makes a Secured Creditor Claim based on the GA Mortgage granted by the Company as follows:

1) Principal amount of GA Mortgage claimed as at January 14th, 2008

2) Interest:

simple interest
compound interest

method of calculating _____

Rate: _____ % per annum

Total unpaid interest claimed as owing at January 14th: _____

Per diem interest after January 14th _____

3) Costs payable under GA Mortgage

Total

Attach proof of advances made under the GA Mortgage and of costs paid (such as legal bills) as an exhibit to this Proof of Claim

II. \$6 MILLION SYNDICATED MORTGAGE IN FAVOUR OF STINSON FINANCIAL CORPORATION AS TRUSTEE (THE "SYNDICATED MORTGAGE"):

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

(a) I hold an interest in the Syndicated Mortgage (the "Interest Holder") granted in favour of Stinson Financial Corporation as Trustee by Sapphire Tower Development Corp. (the "Company") [or I hold the position of _____ of such Mortgage Holder] and have knowledge of all the circumstances connected with the Mortgage Holder described herein; and

(b) the Mortgage Holder makes a Secured Creditor Claim with respect to the Syndicated Mortgage granted by the Company as follows:

1) Principal amount of interest in the Syndicated Mortgage claimed as at January 14th, 2008 _____

2) Interest:
 simple interest
 compound interest method of calculating _____

Rate: _____ % per annum

Total unpaid interest claimed as owing at January 14th; _____

Per diem interest after January 14th _____

3) Costs payable referable to your interest in the Syndicated Mortgage:

Total _____

Attach proof of costs paid (such as legal bills) and proof of funds advanced under the Syndicated Mortgage as exhibits to this Proof of Claim

III. \$155,000 MORTGAGE TO WALMSLEY, BELL AND MATTSO (THE "\$155,000 MORTGAGE")

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

(a) I hold an interest in the \$155,000 Mortgage (the "Mortgage Holder") granted by Sapphire Tower Development Corp. (the "Company") [or I hold the position of _____ of such Mortgage Holder] and have knowledge of all the circumstances connected with the Mortgage Holder described herein; and

(b) the Mortgage Holder makes a Secured Creditor Claim based on the \$155,000 Mortgage granted by the Company as follows:

1) Principal amount of interest in the \$155,000 Mortgage claimed as at January 14th, 2008 _____

2) Interest:

simple interest

compound interest method of calculating _____

Rate: _____ % per annum

Total unpaid interest claimed as owing at January 14th: _____

Per diem interest after January 14th _____

3) Costs payable under \$155,000 Mortgage

Total _____

Attach proof of costs paid (such as legal bills) and proof of advances under the \$155,000 Mortgage as exhibits to this Proof of Claim

IV. MORTGAGE GRANTED TO ORO PROPERTIES LIMITED (THE "ORO MORTGAGE")

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

- (a) I hold an interest in the Oro Mortgage (the "Mortgage Holder") granted by Sapphire Tower Development Corp. (the "Company") [or I hold the position of _____ of such Mortgage Holder] and have knowledge of all the circumstances connected with the Mortgage Holder described herein; and
- (b) the Mortgage Holder makes a Secured Creditor Claim based on the Oro Mortgage granted by the Company as follows:

1) Principal amount of interest in the Oro Mortgage claimed as at January 14th, 2008 _____

2) Interest:

simple interest

compound interest method of calculating _____

Rate: _____ % per annum

Total unpaid interest claimed as owing at January 14th: _____

Per diem interest after January 14th _____

3) Costs payable under Oro Mortgage

Total

Attach proof of costs paid (such as legal bills) and proof of advances under the Oro Mortgage as exhibits to this Proof of Claim

V. MORTGAGES GRANTED TO LESLIE STEVEN MASON (THE "SHIBLEY MORTGAGES")

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

(a) _____ hold mortgages (the "Mortgage Holder") granted by Sapphire Tower Development Corp. (the "Company") [or I hold the position of _____ of such Mortgage Holder] and have knowledge of all the circumstances connected with the Mortgage Holder described herein; and

(b) the Mortgage Holder makes a Secured Creditor Claim based on the Shibley Mortgages granted by the Company as follows:

1) Principal amount of the Shibley Mortgages claimed as at January 14th, 2008

2) Interest:

simple interest

compound interest method of calculating _____

Rate: _____ % per annum

Total unpaid interest claimed as owing at January 14th: _____

Per diem interest after January 14th: _____

3) Costs payable under the Shibley Mortgages

Total

Attach proof of costs paid (such as legal bills) as well as proof of legal costs secured under the Shibley Mortgages including itemized dockets of work done referable to the Company as exhibits to this Proof of Claim

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

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

(a) I hold the position of _____ 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

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

2) Interest:

simple interest
 compound interest method of calculating _____

Rate: _____% per annum

Total unpaid interest claimed as owing at January 14th: _____

Per diem interest after January 14th.

3) Costs payable referable to the Lien Claim

Total _____

**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**

VII. CLAIMS UNDER ADMINISTRATIVE CHARGES

I, KENNETH H. PAGE, ~~[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 PARTNER of PAGE, MARTIN LLP (the "Administrative Charge Claimant") and have knowledge of all the circumstances connected with the Administrative Charge Claim described herein; and
- (b) The Administrative Charge Claimant makes the following claim(s)
- 1) Claims under Administrative Charge in Initial Order of Justice Cumming dated July 20th, 2007 as at January 14th, 2008
Amounts secured under Charge \$ _____
 - 2) Claims under Administrative Charge in the Interim Receivership Order of Justice Cumming dated August 14th, 2007 as at January 14, 2008:
Amount Claimed \$ _____
 - 3) Claims under Order of Justice Cumming granting charge to Page, Martin LLP as counsel to the unsecured creditors as at January 14th, 2008:
Amount Claimed \$ 8,663.66.

Itemized accounts of amounts claimed under these charges must be included as exhibits to your affidavit.

The Secured Creditor hereby authorizes the Interim Receiver to contact any Person to confirm that the information set out above conforms to the information contained in their records.

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:

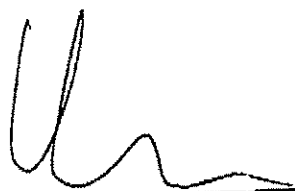
BDO Dunwoody Limited
BCE Place
123 Front St. W., Ste. 1200
Toronto Ontario
M5J 2M2

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 4th day of JANUARY, 2008



Jennifer Heather Knowlton, a Commissioner, etc.,
City of Toronto for Page, Martin LLP,
Barristers and Solicitors,
Commissioner for Taking Affidavits, etc.


Name: (Print) KENNETH H. PAGE
Title: PARTNER, PAGE, MARTIN LLP

SWORN JANUARY 4, 2008.

PRIVATE & CONFIDENTIAL

IN ACCOUNT WITH:

TO THE UNSECURED CREDITORS OF SAPPHIRE DEVELOPMENT CORPORATION

PAGE, MARTIN LLP Barristers and Solicitors 150 York Street, Suite 800 Toronto, Ontario M5H 3S5

January 4, 2008

RE: SAPPHIRE TOWER DEVELOPMENTS

REFERENCE NO.: M07-0626

TO ALL PROFESSIONAL SERVICES, including:

- TO meeting with representatives of unsecured creditors;
- TO discussions with Monitor and review of prior materials;
- TO correspondence with stakeholders advising of intention to seek leave to lift stay of proceedings and to seek Charging Order;
- TO preparation of materials for Motion to lift stay of proceedings, for leave to file Application for Bankruptcy Order, and for Charging Order;
- TO attendance before Mr Justice Cumming on Motion on October 9, 2007 at which time leave to issue Bankruptcy Application was granted;
- TO preparation of Application for Bankruptcy Order, and Affidavit of Truth;
- TO attendance at Court to issue Application and service of Application upon debtor and Office of Superintendent in Bankruptcy;
- TO re-attendance at Court on October 19, 2007 at which time Charging Order for fees of unsecured creditors was granted;
- TO drafting and distribution of Order and endorsement;
- TO receipt of materials relating to Motion to extend stay period and attendance on Motion granting extension on November 7, 2007;
- TO forwarding claims of unsecured creditors to monitor and discussions with monitor, counsel and other stakeholders regarding proposed offer;
- TO receipt and review of Motion seeking approval and Vesting Order;
- TO execution of Confidentiality Agreement and receipt and review of confidential report;
- TO advising unsecured creditors on status and position;
- TO Court attendance on December 14, 2007 at which time approval and Vesting Order were granted as well as Order extending stay of proceedings;
- TO advising creditors of status of proceeding and receipt and review of correspondence from Monitor of December 21, 2007;
- TO completion of proof of claim form;

OUR FEE:	MBP	9.9 hrs X \$500.00 =	\$4,950.00
	KHP	7.2 hrs X \$400.00 =	\$2,880.00
			<u>\$ 391.50</u>
5% G.S.T.:			\$8,221.50
TOTAL FEES:			

IN ACCORDANCE WITH THE SOLICITORS ACT, INTEREST WILL BE CHARGED ON ALL ACCOUNTS OUTSTANDING OVER 30 DAYS. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

OUR G.S.T. REGISTRATION NUMBER IS 808475545 RT0001

01/04/2008 15:37 IFAX TORC-Fax@bdo.ca
01-04-2008 03:29PM FROM-PAGE MARTIN LLP

+ Toronto Centre ☑ 012/012
T-042 P.012/012 F-437

IN ACCOUNT WITH:
PAGE, MARTIN LLP
January 4, 2008

TOTAL FEES (BROUGHT FORWARD)

\$8,221.50

DISBURSEMENTS:

Paid Minister of Finance to have Motion heard;	\$ 127.00*
Paid courier charges;	\$ 28.18
Paid agent to attend to binding, copying Court materials;	\$ 187.16
Paid agent to attend to filing, serving Court materials;	\$ 25.00
Paid facsimile charges;	\$ 5.50
Paid miscellaneous charges;	\$ 11.00*
Paid photocopy charges;	<u>\$ 41.10</u>
	\$ 424.94
6% G.S.T.:	<u>\$ 17.22</u>
	\$ 442.16

\$ 442.16

\$8,663.66

BALANCE DUE AND OWING TO US

**- THIS IS OUR ACCOUNT -
PAGE, MARTIN LLP**

KENNETH H. PAGE
all disbursement amounts are subject to GST
except those marked with an asterisk

E. & O.E.

/jk

IN ACCORDANCE WITH THE SOLICITORS ACT, INTEREST WILL BE CHARGED ON ALL ACCOUNTS OUTSTANDING OVER 30 DAYS. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

OUR G.S.T. REGISTRATION NUMBER IS 808475545 RT0001