

**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 First Leaside Wealth Management Inc., First Leaside Finance Inc., First
Leaside Securities Inc., FL Securities Inc., First Leaside Management Inc.,
First Leaside Accounting and Tax Services Inc., First Leaside Holdings
Inc., 2086056 Ontario Inc., First Leaside Realty Inc., First Leaside Capital
Inc., First Leaside Realty II Inc., First Leaside Investments Inc., 965010
Ontario Inc., 1045517 Ontario Inc., 1024919 Ontario Inc., 1031628 Ontario
Inc., 1056971 Ontario Inc., 1376095 Ontario Inc., 1437290 Ontario Ltd.,
1244428 Ontario Ltd., PrestonOne Development (Canada) Inc., PrestonTwo
Development (Canada) Inc., PrestonThree Development (Canada) Inc.,
PrestonFour Development (Canada) Inc., 2088543 Ontario Inc., 2088544
Ontario Inc., 2088545 Ontario Inc., 1331607 Ontario Inc., Queenston Manor
General Partner Inc., 1408927 Ontario Ltd., 2107738 Ontario Inc., 1418361
Ontario Ltd., 2128054 Ontario Inc., 2069212 Ontario Inc., 1132413 Ontario
Inc., 2067171 Ontario Inc., 2085306 Ontario Inc., 2059035 Ontario Inc.,
2086218 Ontario Inc., 2085438 Ontario Inc., First Leaside Visions
Management Inc., 1049015 Ontario Inc., 1049016 Ontario Inc., 2007804
Ontario Inc., 2019418 Ontario Inc., FL Research Management Inc., 970877
Ontario Inc., 1031628 Ontario Inc., 1045516 Ontario Inc., 2004516 Ontario
Inc., 2192341 Ontario Inc., and First Leaside Fund Management Inc.
(collectively, the "Applicant" or "Applicants")**

**AFFIDAVIT OF GREGORY MACLEOD
(sworn May 2, 2012)**

I, GREGORY MACLEOD, of the City of Burlington, in the Province of
Ontario, MAKE OATH AND SAY:

1. I am the president of G.S. MacLeod & Associates Inc., the court-appointed
chief restructuring officer ("CRO") of First Leaside Wealth Management Inc., and the
other applicants as well as the limited partnerships affiliated with the Applicants,
including First Leaside Expansion Limited Partnership ("FLEX"). As such, I have

knowledge of the facts deposed to in this affidavit. To the extent that this affidavit describes events or facts of which I do not have personal knowledge, I have identified the source of the information and, in all cases, believe it to be true.

2. I swear this affidavit in response to the supplementary affidavit of James Greig, sworn April 25, 2012, in support of the motion of Structform International Limited for an order amending the Initial Order of Justice David M. Brown dated February 23, 2012 (the "Initial Order").

3. The FLEX general operating account number 5362141 with TD Canada Trust at 55 King Street West (the "FLEX Account"), which contains the funds referred to in paragraph 3 of the Supplementary Affidavit of Mr. Greig will not form part of the Central Cash Management System as described in paragraph 10 of the Initial Order.

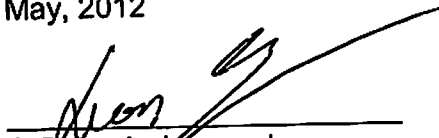
4. More specifically, on February 22, 2012, the FLEX Account showed a balance of \$647,555.14 and this amount has remained unchanged to date.

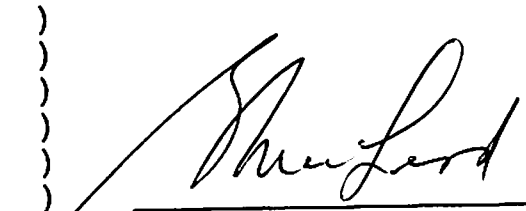
5. However, in accordance with the Initial Order, the Administration Charge and Directors' Charge (both as defined in the Initial Order) attach to the property (including bank balances) of FLEX and, by further order of the court, specific amounts on account of professional and administration expenses may be allocated to such property.

6. Any surplus funds from the proceeds of the sale of the Queenston Manor property in St Catharines (referred to in paragraph 7 of the Supplementary Affidavit of Mr. Greig) which remain after payment of the first mortgage will not be deposited in the

FLEX Account or any other FLEX account but, will be appropriately allocated to the account of Queenston Manor LP. Queenston Manor LP, which is a legal entity that is separate from FLEX, is not an "owner" of any of the properties in Uxbridge, Ontario in respect of which Structform International Limited, 792873 Ontario Limited (c.o.b.as H&S Equipment), and other trade creditors have asserted lien claims and trust claims under the *Construction Lien Act*.

SWORN before me at the City of Burlington
In the Province of Ontario, this 2nd day of
May, 2012


A Commissioner, etc.

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Gregory MacLeod