

**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**

THE HONOURABLE MR

JUSTICE NEWBOULD



) FRIDAY, THE 31ST

) DAY OF AUGUST, 2012

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. ("Applicants")

ORDER

(U.S. Entities Wind-down)

THIS MOTION, brought by the Applicants, for approval of the sale of certain assets of the Applicants, and such other relief as described in the amended notice of motion dated August 20, 2012, was heard in part on August 23, 2012, with the balance

of the relief sought adjourned on consent to be heard on August 30, 2012, and then further adjourned to a date to be coordinated with the Commercial List Office, was heard this day at the Court House, 330 University Avenue, Toronto, Ontario.

ON READING the amended notice of motion, the affidavit of Gregory MacLeod sworn August 20, 2012, the affidavit of Henry Wenekamp sworn August 22, 2012, and the Fourth Report of the Grant Thornton Limited, in its capacity as court appointed monitor ("**Monitor**") dated August 21, 2012, and upon hearing the submissions of counsel for the Applicants and G.S. MacLeod & Associates ("**CRO**"), counsel for the Monitor, Fraser Milner Casgrain LLP in its capacity as court appointed Representative Counsel, and counsel for the trustees ("**Trustees**") of certain First Leaside-affiliated investment funds, namely First Leaside Fund, Wimberly Fund, First Leaside Mortgage Fund and First Leaside Properties Fund (collectively, the "**Funds**"),

AND UPON BEING ADVISED by counsel for the Trustees that each of the Funds will call and hold a meeting of their respective trust unitholders within sixty (60) days of the date of this order for the purpose, among other things, of reporting to trust unitholders and electing trustees of the Funds and will provide a reporting letter to the Monitor with respect to such meeting,

AND UPON BEING FURTHER ADVISED that this order is made on consent of First Leaside and the Monitor and the Trustees,

1. **THIS COURT AUTHORIZES AND DIRECTS** that First Leaside (as defined in the initial order of Justice D. M. Brown dated February 23, 2012) ("**First Leaside**") take no steps to manage, administer or maintain any limited partnerships, corporations, trusts,

or properties located or subsisting in the United States in which First Leaside has a direct or indirect equity or other interest including, without limiting the generality of the foregoing, properties held directly or indirectly by Wimberly Apartments Limited Partnership, 2088544 Ontario Inc., 2088545 Ontario Inc., 2088543 Ontario Inc., FL Master Sherman GP, Inc., FL Master Texas, Ltd., FL Master Sherman Ltd., or F.L. US Holdings GP, Inc. but excepting the Sherman Church property municipally known as 920 South Heritage Parkway, Sherman, Texas and the Spring Valley Mall property municipally known as 7800-7798 Spring Valley Road, Dallas, Texas ("**US Entity**" or collectively the "**US Entities**").

2. **THIS COURT ORDERS** that, notwithstanding the terms of paragraph 1 of this order, First Leaside is authorized to attend to the preparation and filing of tax returns in respect of the US Entities for the 2011 taxation year.

3. **THIS COURT ORDERS** that First Leaside is authorized to deliver copies of any business or corporate records in its possession relating to the US Entities to an officer or director of the relevant US Entity.

4. **THIS COURT ORDERS AND DIRECTS** that the CRO forthwith transfer the funds available as at August 31, 2012 in the First Leaside Mortgage Fund Bank Account at the TD Bank, 55 King Street West, Toronto, account numbered 1020-5397336 to Torkin Manes LLP, In Trust, counsel for First Leaside Mortgage Fund.

ENTERED AT / IN THE OFFICE OF THE CLERK OF THE COURT
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

AUG 31 2012

PER/PAR:



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. et al

Court File No: CV-12-9617-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at Toronto

ORDER

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