

B

This is Exhibit "B"
referred to in the Affidavit of
Deborah Papernick
sworn before me on the
23rd day of June, 2011



A Commissioner for Taking Affidavits

KIT FINANCE INC.
AMENDMENT NO. 12 TO NOTE PURCHASE AND
PRIVATE SHELF AGREEMENT AND FORBEARANCE AGREEMENT

As of June 29, 2011

To each of the Current Noteholders
Named in Annex I hereto

Ladies and Gentlemen:

KIT FINANCE INC., an Alberta corporation (together with its successors and assigns, the "Company"), and PRISZM INC., a Canadian corporation formerly known as "KIT Inc." (together with its successors and assigns, "Prizm Inc." and together with the Company, collectively, the "Obligors"), each hereby agrees with you as follows:

1. PRELIMINARY MATTERS.

1.1. Note Issuance, etc.

The Company issued and sold (a) C\$73,596,400 in aggregate principal amount of its 6.795% Series A Senior Secured Guaranteed Notes originally due January 13, 2011 (as in effect and as may be amended, restated, replaced or otherwise modified from time to time, the "Series A Notes") and (b) C\$2,036,700 of its Shelf Notes (as in effect and as may be amended, restated, replaced or otherwise modified from time to time, the "Shelf Notes"); the Company also issued and, in part from time to time, sold, (c) US\$3,700,000 of its senior secured guaranteed promissory notes originally due January 31, 2011 (as in effect and as may be amended, restated, replaced or otherwise modified from time to time, the "Initial Series 2011 Notes") and (d) \$2,900,000 of its senior secured guaranteed promissory notes due May 20, 2011 (as in effect and as may be amended, restated, replaced or otherwise modified from time to time, the "Second Series 2011 Notes"; the Initial Series 2011 Notes and the Second Series 2011 Notes herein referred to as the "Series 2011 Notes", and together with the Series A Notes and the Shelf Notes, collectively, the "Existing Notes"), in each case pursuant to a Note Purchase and Private Shelf Agreement, dated as of January 12, 2006, entered into by and among the Obligors, Prudential Investment Management, Inc. ("Prudential") and each of the Purchasers listed in Annex A attached thereto, as amended by (i) Amendment No. 1 to Note Purchase and Private Shelf Agreement dated as of January 31, 2006, (ii) Amendment No. 2 to Note Purchase and Private Shelf Agreement, dated as of July 11, 2006, (iii) Amendment No. 3 to Note Purchase and Private Shelf Agreement dated as of June 21, 2007, (iv) Amendment No. 4 to Note Purchase and Private Shelf Agreement dated as of February 29, 2008, (v) Amendment No. 5 to Note Purchase and Private Shelf Agreement dated as of September 7, 2008, (vi) Amendment No. 6 to Note Purchase and Private Shelf Agreement dated as of March 26, 2009, (vii) Waiver and Amendment No. 7 to Note Purchase and Private Shelf Agreement dated as of December 22, 2009, (viii) Waiver and Amendment No. 8 to Note Purchase and Private Shelf Agreement dated as of March 12, 2010.

(ix) Amendment No. 9 to Note Purchase and Private Shelf Agreement dated as of January 19, 2011, (x) Amendment No. 10 to Note Purchase and Private Shelf Agreement dated as of February 1, 2011 and (xi) Amendment No. 11 to Note Purchase and Private Shelf Agreement dated as of March 31, 2011 ("Amendment No. 11") (as so amended, the "Existing Note Agreement"; and as amended by this Amendment No. 12 to Note Purchase and Private Shelf Agreement and Forbearance Agreement (together with all Annexes, Exhibits, Schedules and attachments hereto, this "Amendment Agreement" or this "Agreement"), the "Note Agreement"). The register for the registration and transfer of the Notes indicates that the Persons named in Annex 1 hereto (collectively, the "Current Noteholders") are currently the holders of the entire outstanding principal amount of the Existing Notes.

1.2. Requested Actions.

The Obligors have requested that the Current Noteholders amend certain provisions of the Existing Note Agreement, all as more particularly provided for herein.

2. DEFINED TERMS.

Capitalized terms used herein and not defined herein have the respective meanings given them pursuant to Amendment No. 11 or, if not defined therein, in the Noteholder Forbearance Agreement (defined below), or, if not defined therein, in the Note Agreement.

3. AMENDMENTS TO AMENDMENT NO. 11, TO EXISTING NOTE AGREEMENT AND TO NOTEHOLDER FORBEARANCE AGREEMENT.

Subject to Section 5 hereof, each of Amendment No. 11, the Existing Note Agreement and the Noteholder Forbearance Agreement are hereby amended as set forth in this Section 3 (the "Amendments"):

3.1. Amendments to Section 3.1 of Amendment No. 11.

Section 3.1 of Amendment No. 11 is hereby amended by changing, under the heading "1.3 Authorization of Post-Petition Notes" contained therein, the reference therein to "May 20, 2011" to a reference to "September 30, 2011", and the reference therein to "May 13, 2011" to "September 23, 2011". For the avoidance of doubt, the effect of such changes shall be to extend the "Post-Petition Notes Issuance Period" through September 23, 2011, and the maturity date of any Post-Petition Notes that may be issued to September 30, 2011, subject in all respects to the other terms, conditions and provisions of this Agreement and the Existing Note Agreement.

3.2. Amendment to Exhibit A-5 to the Existing Note Agreement.

Exhibit A-5 of the Existing Note Agreement is hereby amended by changing all references therein to "May 20, 2011" to references to "September 30, 2011". For the avoidance of doubt, the effect of such changes shall be to extend the maturity date of any Post-Petition

Notes that may be issued to September 30, 2011, subject in all respects to the other terms, conditions and provisions of this Agreement and the Existing Note Agreement.

3.3. Amendments to Noteholder Forbearance Agreement.

The definition of "Forbearance Termination Event" within the Amended and Restated Noteholder Forbearance Agreement dated as of March 31, 2011 between the Current Noteholders and the Obligors (as amended, restated, supplemented or modified from time to time, the "Noteholder Forbearance Agreement") is hereby amended by changing the reference to "May 9, 2011" within clause (g) of such definition to "August 15, 2011", and by changing the reference to "May 20, 2011" within clause (h) of such definition to "September 30, 2011". The definition of "Forbearance Termination Date" within the Noteholder Forbearance Agreement is hereby amended by changing the reference to "May 20, 2011" within clause (i) of such definition to "September 30, 2011".

4. REPRESENTATIONS AND WARRANTIES OF THE OBLIGORS.

To induce you to enter into this Amendment Agreement and to consent to the Amendments, each of the Obligors represents and warrants as follows:

4.1. Organization, Power and Authority, etc.

Each Obligor has all requisite power and authority to enter into and perform its obligations under this Amendment Agreement.

4.2. Authorization, etc.

Assuming the effectiveness of the Order dated as of June 29, 2011 granted by the Court in the CCAA Proceedings (the "DIP and Stay Extension Order"), this Amendment Agreement has been duly authorized by all necessary corporate action on the part of each Obligor, and constitutes a legal, valid and binding obligation of each Obligor, in each case, enforceable against the such Obligor in accordance with its terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

4.3. Legal Validity.

(a) Assuming the effectiveness of the DIP and Stay Extension Order, the execution and delivery of this Amendment Agreement by each of the Obligors and compliance by each of the applicable Obligors with its obligations hereunder: (i) are within the powers of such Obligor; and (ii) are legal and do not conflict with, result in any breach of, constitute a default under, or result in the creation of any Lien upon any property of such Obligor under the provisions of: (1) any charter instrument or bylaw to which such Obligor is a party or by which such Obligor or any of its property may be bound; (2) any order, judgment, decree or ruling of any court, arbitrator or governmental

authority applicable to such Obligor or its property; or (3) any agreement or instrument to which such Obligor is a party or by which such Obligor or any of its property may be bound or any statute or other rule or regulation of any governmental authority applicable to such Obligor or its property.

(b) Assuming the effectiveness of the DIP and Stay Extension Order, this Amendment Agreement has been duly authorized by all necessary action on the part of the Obligors, has been duly executed and delivered by a duly authorized officer of each applicable Obligor, and constitutes a legal, valid and binding obligation of the applicable Obligors, enforceable in accordance with its terms, except that enforceability may be limited by applicable bankruptcy, reorganization, arrangement, insolvency, moratorium, or other similar laws affecting the enforceability of creditors' rights generally and subject to the availability of equitable remedies.

4.4. Benefit of Security.

The obligations of the Obligors in respect of the Note Agreement and the Notes are entitled to the full and ratable benefit of the Security. The Post-Petition Notes shall have the full benefit of the Security. In addition, any Post-Petition Notes issued on or after the filing of an application by the Obligors pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA") shall be secured by all or substantially all of the assets of the Obligors, and (assuming the effectiveness of the Initial Order granted by the Court in the CCAA Proceedings) shall have priority as to time and right of payment and shall have priority with respect to such collateral in accordance with the terms of the Initial Order.

5. EFFECTIVENESS OF THE AMENDMENTS.

The Amendments shall become effective as of the first date written above (the "Effective Date") upon the satisfaction, on or before the Effective Date, of all of the following conditions:

(a) the receipt by each of the Obligors of the duly executed and delivered written consent to this Amendment Agreement by the Current Noteholders and receipt by Prudential and the Current Noteholders of the duly executed and delivered written consent to this Amendment Agreement from each of the Obligors;

(b) the payment by the Obligors to the account of the Current Noteholders on or before June 30, 2011 of an extension fee in the aggregate amount of US\$100,000, to the account or accounts designated by the Current Noteholders or their counsel to the Obligors in writing;

(c) this Agreement shall have been approved by the Court pursuant to the DIP and Stay Extension Order;

(d) the payment by the Obligors of all legal fees and disbursements incurred by the Current Noteholders, including without limitation the fees and expenses of their various counsels and financial advisor; and

(e) all documents and papers relating to this Amendment Agreement shall be satisfactory to the Current Noteholders and their counsel.

6. EXPENSES.

Whether or not the Amendments become effective, the Obligors will promptly (and in any event within three Business Days of receiving any statement or invoice therefor) pay all fees, expenses and costs relating to this Amendment Agreement, including, but not limited to, the reasonable fees of the Current Noteholders' special counsel, Bingham McCutchen LLP, and the Current Noteholders' special Canadian counsel, Gowlings, incurred in connection with the preparation, negotiation and delivery of the Amendment Agreement and any other documents related thereto. Notwithstanding the foregoing, the Company will on the date of execution and delivery hereof, pay the fees and expenses of Bingham McCutchen LLP incurred through the date of execution and delivery hereof. Nothing in this Section shall limit the obligations of the Obligors pursuant to paragraph 14B of the Existing Note Agreement.

7. REAFFIRMATION.

Each of the Company and Prizm Inc. hereby (i) acknowledges and affirms all of its obligations under the terms of each Security Document and Transaction Document to which it is a party, including, without limitation, the Omnibus Amendment Agreement, and in the case of Prizm Inc, the KIT Inc. Guarantee, and agrees all such agreements shall continue to remain in full force and effect, and (ii) acknowledges and agrees that such Security Documents and Transaction Documents, including, without limitation, the Omnibus Amendment Agreement, and in the case of Prizm Inc., the Kit Inc. Guarantee, shall secure and guaranty the obligations under the Note Agreement and the Notes pursuant to the terms thereof.

8. MISCELLANEOUS.

8.1. Part of Existing Note Agreement; Future References, etc.

This Amendment Agreement shall be construed in connection with and as a part of the Note Agreement and, except as expressly amended by this Amendment Agreement, all terms, conditions and covenants contained in the Existing Note Agreement are hereby ratified and shall be and remain in full force and effect. Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Amendment Agreement may refer to the Note Agreement without making specific reference to this Amendment Agreement, but nevertheless all such references shall include this Amendment Agreement unless the context otherwise requires.

8.2. Counterparts; Effectiveness.

This Amendment Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto. Delivery of an executed signature page by facsimile or electronic transmission shall be effective as delivery of a manually signed counterpart of this Amendment Agreement.

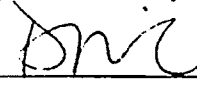
8.3. Governing Law.

THIS AMENDMENT AGREEMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS OF THE PARTIES SHALL BE GOVERNED BY, THE LAW OF THE STATE OF NEW YORK EXCLUDING CHOICE-OF-LAW PRINCIPLES OF THE LAW OF SUCH STATE THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A JURISDICTION OTHER THAN SUCH STATE.

If you are in agreement with the foregoing, please so indicate by signing the acceptance below on the accompanying counterpart of this Amendment Agreement and returning it to the Company, whereupon it will become a binding agreement among each of you and each of the Obligor.

KIT FINANCE INC., PRISZM INC. by
2279549 ONTARIO INC., solely in its
capacity as Chief Restructuring Officer, and
without personal or corporate liability.

By: _____

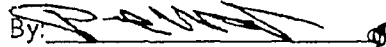

Name: Deborah Papernick,

Title: Authorized Signatory


[Signature page to Amendment No. 12 to Note Purchase and Private Shelf Agreement]

The foregoing Amendment Agreement is hereby accepted as of the date first above written.


**PRUDENTIAL INVESTMENT
MANAGEMENT, INC.**

By: 
Name: Paul H. Procyk
Title: Vice President

**THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA**


By: 
Name: Paul H. Procyk
Title: Vice President

PRUCO LIFE INSURANCE COMPANY

By: 
Name: Paul H. Procyk
Title: Assistant Vice President

**PRUDENTIAL RETIREMENT
INSURANCE AND ANNUITY COMPANY**

By: Prudential Investment Management, Inc., its
investment manager

By: 
Name: Paul H. Procyk
Title: Vice President

[Signature page to Amendment No. 12 to Note Purchase and Private Shelf Agreement]

Annex 1

CURRENT NOTEHOLDERS

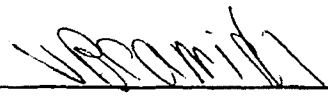
The Prudential Insurance Company of America

Pruco Life Insurance Company

Prudential Retirement Insurance and Annuity Company

C

This is Exhibit "C"
referred to in the Affidavit of
Deborah Papernick
sworn before me on the
23rd day of June, 2011



A Commissioner for Taking Affidavits

AMENDING AGREEMENT

This Amending Agreement made as of the 23rd day of June, 2011 among Prizm Income Fund ("Prizm Fund"), Prizm Canadian Operating Trust ("Prizm Trust"), Prizm Inc. ("Prizm GP") and Kit Finance Inc. ("Kit Finance"), Prizm LP (collectively, the "Prizm Entities") and 2279549 Ontario Inc. (the "CRO").

WHEREAS the Prizm Entities obtained protection from their creditors pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "CCA") on March 31, 2011;

AND WHEREAS all of the trustees of Prizm Fund and Prizm Trust and all of the directors of Prizm GP and Kit Finance resigned immediately after the filing and the Prizm Entities were desirous of appointing someone to provide direction and control of the operation of the Prizm Entities during the CCA proceedings (the "Proceedings");

AND WHEREAS the parties hereto entered into a letter agreement dated March 30, 2011 (the "CRO Agreement") for the retention of the CRO to represent and advise the Prizm Entities as Chief Restructuring Officer in connection with the Proceedings;

AND WHEREAS the CRO wishes to terminate the CRO Agreement effective July 31, 2011 and amend the terms of its engagement for the period commencing July 1, 2011 until July 31, 2011;

AND WHEREAS the parties hereto have agreed to amend the CRO Agreement;

NOW THEREFORE in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party, the parties hereto covenant and agree with each other as follows:

Section 1 Defined Terms.

Capitalized terms used in this Amending Agreement and not otherwise defined herein shall have the meanings specified in the CRO Agreement.

Section 2 Amendment to the Section Titled "Fees and Indemnity" of the CRO Agreement.

Section titled "Fees and Indemnity" of the CRO Agreement is amended by deleting it in its entirety and replacing it with the following:

"Fees and Indemnity

The Prizm Entities shall indemnify and hold harmless the CRO and Deborah Papernick against and from any obligations and liabilities that they both or either of them may incur as CRO of the Prizm Entities after the commencement of the Proceedings, except in the event that the obligation or liability was incurred as a direct result of the CRO's or Deborah Papernick's gross negligence or wilful misconduct."

Section 3 Amendment to the Section Titled "Role of Deborah Papernick" of the CRO Agreement.

Section titled "Role of Deborah Papernick" of the CRO Agreement is amended by deleting it in its entirety and replacing it with the following:

"Role of Deborah Papernick

The CRO shall provide the services of Deborah Papernick, who has particular knowledge and expertise applicable to the activities and affairs of the Prizm Entities, to act in such capacity and perform the services required herein, but excluding any services related to her former position as CFO of the Prizm Entities, for up to 12 hours per week during normal business hours plus such additional time as may be reasonably required to perform these duties outside of normal business hours during the period from July 1, 2011 until July 31, 2011, on and subject to the terms and conditions contained herein. It is acknowledged and agreed that Deborah Papernick shall be the only individual who performs the services required by this engagement."

Section 4 Amendment to the Section Titled "Termination with Notice" of the CRO Agreement.

Section titled "Termination with Notice" of the CRO Agreement is amended by deleting it in its entirety and replacing it with the following:

“Termination

The parties agree and acknowledge that this Agreement and the services provided hereunder shall terminate on July 31, 2011 or upon the appointment of a receiver or trustee in bankruptcy over any or all of the Prizm Entities prior to that date.”

Section 5 Confirmation.

From and following the date hereof, each reference in the Agreement to “this Agreement” and each reference to the Agreement in any and all other agreements, documents and instruments delivered by the parties hereto or any other Person shall mean and be a reference to the Agreement as amended by this Amending Agreement. Except as otherwise expressly amended hereby, the Agreement shall remain in full force and effect in accordance with its terms and this Amending Agreement and the Agreement shall be read as one and the same instrument.

Section 6 No Waiver.

The execution, delivery and effectiveness of this Amending Agreement shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the parties hereto under the Agreement.

Section 7 Governing Law.

This Amending Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8 Conflict or Inconsistency.

In the event there is any conflict or inconsistency between the provisions of this Amending Agreement and any of the provisions of the CRO Agreement, the provisions of this Amending Agreement shall prevail.

Section 9 Invalidity or Unenforceability.

The invalidity or unenforceability of any particular provision or provisions of this Amending Agreement shall not affect the other provisions hereof or the provisions in the Agreement, and this Amending Agreement shall be construed in all respects as if such invalid or unenforceable provisions had been omitted.

Section 10 Binding Effect.

This Amending Agreement shall be binding upon the undersigned and the heirs, executors, administrators, successors, permitted assigns and legal representatives of the undersigned.

Section 11 - Counterparts.


This Amending Agreement may be executed in any number of counterparts (including counterparts by facsimile), each of which when so executed shall be deemed to be an original and the counterparts together shall constitute one and the same agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first above written.

2279549 ONTARIO INC.

By: 
Name: Deborah Papernick
Title: Authorized Signatory

KIT FINANCE INC., PRISZM INC.,
PRISZM LP, BY ITS GENERAL PARTNER,
PRISZM INC., PRISZM CANADIAN
OPERATING TRUST, PRISZM INCOME
FUND by 2279549 ONTARIO INC., solely in
its capacity as Chief Restructuring Officer,
and without personal or corporate liability.

By: 
Name: Deborah Papernick,
Title: Authorized Signatory

D

This is Exhibit "D"
referred to in the Affidavit of
Deborah Papernick
sworn before me on the
23rd day of June, 2011



A Commissioner for Taking Affidavits

2289500 ONTARIO INC.

June 23, 2011

Priszm Income Fund
101 Exchange Avenue
Vaughan, Ontario
L4K 5R6

Appointment of Chief Restructuring Officer

On March 31, 2011, Priszm Income Fund (“**Priszm Fund**”), Priszm Canadian Operating Trust (“**Priszm Trust**”), Priszm Inc. (“**Priszm GP**”) and Kit Finance Inc. (“**Kit Finance**”) (collectively, the “**Applicants**”) filed for protection from their creditors pursuant to the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) and all of the trustees of Priszm Fund and Priszm Trust and all of the directors of Priszm GP and Kit Finance resigned immediately after the filing.

We understand that the Applicants were desirous of appointing someone to provide direction and control of the operation of the Applicants and Priszm LP (collectively, the “**Priszm Entities**”) during the CCAA proceedings (the “**Proceedings**”) and retained the services of 2279549 Ontario Inc. (the “**Initial CRO**”) to represent and advise the Priszm Entities as Chief Restructuring Officer in connection with the Proceedings pursuant to a letter agreement dated March 30, 2011 (the “**Initial CRO Agreement**”). We also understand that the Initial CRO will be ending its engagement under the Initial CRO Agreement effective July 31, 2011 and the Applicants wish to retain the services of 2289500 Ontario Inc. (the “**New CRO**”) to represent and advise the Priszm Entities as Chief Restructuring Officer in connection with the Proceedings commencing August 1, 2011.

The Engagement

During the period of July 1 to July 31, 2011, the New CRO will use its reasonable best efforts to shadow the Initial CRO and attend meetings with the Initial CRO, so as to ensure a smooth transition of responsibilities from the Initial CRO to the New CRO.

Commencing August 1, 2011, New CRO will have the following powers, all of which will be carried out for, on behalf of and in the name of the Priszm Entities, subject to the terms of (a) the Initial Order issued by the Ontario Superior Court of Justice (the “**Court**”) in connection with the Proceedings, as amended and restated from time to time; (b) Amendment No. 12 to the Note Purchase and Private Shelf Agreement dated as of June 22, 2011 and any further amendments thereto (collectively, the “**DIP Amendments**”); and (c) any other order of the Court made in the Proceedings:

- (a) the power to direct the operation of the Priszm Entities carrying on the

business of the Prizm Entities as the New CRO deems necessary;

- (b) the power to take steps for the preservation and protection of the undertaking, property and assets of the Prizm Entities (the "**Property**");
- (c) the power to initiate a draw under the DIP Amendments on behalf of the Prizm Entities;
- (d) the power to take such steps as the New CRO deems are necessary or appropriate to maintain control over all receipts and disbursements arising out of the operations of the Prizm Entities;
- (e) the power to supervise and direct any sales process approved by the Court with respect to the Prizm Entities;
- (f) the power to negotiate and enter into agreements on behalf of the Prizm Entities with respect to the sale of the Property;
- (g) the power to direct the Prizm Entities to apply to Court for any vesting order or orders which may be necessary or appropriate in order to convey the Property to a purchaser or purchasers thereof;
- (h) the power to take any steps, enter into any agreements or incur any obligations as the New CRO deems necessary or incidental to the exercise of the aforesaid powers, with such agreements and obligations to be those of the Prizm Entities and not of the New CRO or Jim Robertson personally;
- (i) the power to provide information to FTI Consulting Canada Inc. in its capacity as the Court-appointed monitor of the Prizm Entities (the "**Monitor**") and Prudential Investment Management, Inc., The Prudential Insurance Company of America, Pruco Life Insurance Company and Prudential Retirement Insurance and Annuity Company (and their advisors) regarding the business and affairs of the Prizm Entities; and
- (j) in consultation with Stikeman Elliott LLP, the power to direct the Prizm Entities to commence any proceeding and seek any order, or respond to any motion or application brought by any other person, in the Proceedings or otherwise;

(the "**Engagement**").

We acknowledge that the Engagement is subject to approval by the Court of an order which shall be in form and substance satisfactory to the Prizm Entities and the New CRO. We understand that you will include a request for Court approval of this agreement in the Prizm Entities' motion for, *inter alia*, an extension of the stay period under the Initial Order returnable June 29, 2011. Subject to Court approval, we will commence the Engagement as set out herein and continue the Engagement until our appointment is terminated by order of the Court or pursuant to the terms of this Agreement.

Fees and Indemnity

The Prizm Entities shall indemnify and hold harmless the New CRO and Jim Robertson against and from any obligations and liabilities that they both or either of them may incur as New CRO of the Prizm Entities after the commencement of the Proceedings, except in the event that the obligation or liability was incurred as a direct result of the New CRO's or Jim Robertson's gross negligence or wilful misconduct.

Role of Jim Robertson

It is acknowledged and agreed that Jim Robertson is and, notwithstanding the execution of this agreement, shall continue to be the Chief Operating Officer of Prizm Inc., in accordance with the terms of his existing arrangements and agreements in that capacity, subject to his right to resign from said position on reasonable notice. The Prizm Entities agree that nothing in this Agreement is inconsistent with or in violation of any Agreement which Jim Robertson may have with any or all of the Prizm Entities in his capacity as Chief Operating Officer or otherwise, or, in the event it is in violation, such violation is hereby both waived and condoned.

The New CRO shall provide the services of Jim Robertson, who has particular knowledge and expertise applicable to the activities and affairs of the Prizm Entities, to act in such capacity and perform the services required herein on and subject to the terms and conditions contained herein. It is acknowledged and agreed that Jim Robertson shall be the only individual who performs the services required by this engagement.

Termination with Notice

It is understood that the New CRO may terminate this agreement and that the New CRO shall end its engagement hereunder, on 14 calendar days written notice to the Prizm Entities and the Monitor: provided that in the event that the New CRO terminates this agreement, it shall forfeit any further success fee otherwise falling due

to it thereafter. Notice shall be sent by way of email to counsel for each of the Monitor and the Prizm Entities. Notwithstanding the foregoing, in no event shall the New CRO engagement be terminated by the New CRO with effect prior to September 5, 2011.

If this letter meets with your approval and reflects your understanding of our role and responsibilities, please sign the enclosed duplicate copy and return it to me.

Yours truly,

2289500 Ontario Inc.

Per:

A handwritten signature in black ink that reads "Jim Robertson". The signature is written in a cursive, flowing style.

Jim Robertson

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

Court File No: CV-11-915900-CL

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF PRISZM INCOME FUND, PRISZM CANADIAN OPERATING TRUST, PRISZM INC. AND KIT
FINANCE INC.**

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

**AFFIDAVIT OF DEBORAH PAPERICK
(SWORN JUNE 23, 2011)**

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Ashley John Taylor LSUC#: 39932E
Tel: (416) 869-5236

Maria Konyukhova LSUC#: 52880V
Tel: (416) 869-5230

Kathryn Esaw LSUC#: 58264F
Tel: (416) 869-5230
Fax: (416) 947-0866

Lawyers for the Applicants

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) WEDNESDAY, THE 29TH
)
JUSTICE MORAWETZ) DAY OF JUNE, 2011

**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 PRISZM INCOME FUND, PRISZM CANADIAN OPERATING TRUST, PRISZM INC.
AND KIT FINANCE INC.**

(the "Applicants")

ORDER

**(Re Extension of Stay Period, Approval of DIP Extension, Replacement of
CRO, Authority to Dispose of Non-Material Assets,
and Approval of Monitor Reports)**

THIS MOTION, made by Priszm Income Fund, Priszm Canadian Operating Trust, Priszm Inc., Priszm LP and Kit Finance Inc. (collectively, the "Priszm Entities") for an order *inter alia* (a) extending the Stay Period until August 31, 2011; (b) approving the DIP Extension Amendment; (c) amending the Papernick CRO Agreement; and (d) approving the Robertson CRO Agreement, (as these terms are defined below) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Deborah Papernick sworn June 23, 2011 (the "**June 23 Affidavit**") and the Pre-filing Report of FTI Consulting Canada Inc. in its capacity as the proposed monitor of the Priszm Entities dated March 31, 2011, the First, Second and Third Reports of FTI Consulting Canada Inc. in its capacity as the Court-appointed Monitor of the

Priszm Entities (the “**Monitor**”), and on hearing the submissions of counsel to the Priszm Entities, the Monitor, Prudential Investment Management, Inc., Yum! Restaurants International (Canada) Company, 2279549 Ontario Inc., Deborah Papernick, 2289500 Ontario Inc. and Jim Robertson [**NAMES OF OTHER PARTIES APPEARING**], no one appearing for any other person on the Service List, although properly served as appears from the affidavit of service, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF THE MONITOR’S REPORT

2. **THIS COURT ORDERS** that the Pre-filing Report of FTI Consulting Canada Inc. in its capacity as the proposed monitor of the Priszm Entities dated March 31, 2011, the First Report of the Monitor dated April 26, 2011 and the Second Report of the Monitor dated May 27, 2011 and the activities of the Monitor described therein are hereby approved.

STAY EXTENSION

3. **THIS COURT ORDERS** that the Stay Period (as defined in paragraph 14 of the Initial Order of the Honourable Mr. Justice Morawetz dated March 31, 2011, which was amended and restated by the Amended and Restated Initial Order of the Honourable Justice Mesbur dated April 29, 2011 (the “**Amended and Restated Initial Order**”)) and as extended to June 30, 2011, by the Order of the Honourable Madam Justice Mesbur dated April 29, 2011, is hereby extended until and including September 30, 2011.

DIP EXTENSION

4. **THIS COURT ORDERS** that the Amendment No. 12 to Note Purchase And Private Shelf Agreement and Forbearance Agreement dated June 22, 2011 (the "**DIP Extension Amendment**") attached as Exhibit "B" to the June 23 Affidavit extending the debtor-in-possession facility, provided for and described in the Amended and Restated Initial Order at paragraphs 41-45, until and including September 30, 2011 is hereby approved.

5. **THIS COURT ORDERS** that the DIP Extension Amendment and any advances made pursuant to it shall be secured by the DIP Lender's Charge (as defined in the Amended and Restated Initial Order) and shall be entitled to and be subject to the same rights, limitations and protections as those granted with respect to the DIP Amendment and the DIP Lender's Charge in paragraphs 41-51 of the Amended and Restated Initial Order.

AMENDMENT OF CRO AGREEMENT

6. **THIS COURT ORDERS** that the Amending Agreement dated June 23, 2011, which amends the letter agreement between the Prizm Entities and 2279549 Ontario Inc. dated March 30, 2011, a redacted copy of which is attached as Exhibit "C" to the June 23 Affidavit is hereby approved.

APPROVAL OF ROBERTSON CRO AGEEMENT

7. **THIS COURT ORDERS** that 2289500 Ontario Inc. (the "**New CRO**") is hereby appointed as Chief Restructuring Officer, an officer of this Court, effective August 1, 2011, and shall have the powers and obligations set out in the agreement entered into between the Prizm Entities and 2289500 Ontario Inc. dated June 23, 2011 (the "**Robertson CRO Agreement**").

8. **THIS COURT ORDERS** that the Robertson CRO Agreement , a redacted copy of which is attached as Exhibit "D" to the June 23 Affidavit, is approved and the Prizm Entities are authorized to perform all of their obligations pursuant to the Robertson CRO Agreement.

9. **THIS COURT ORDERS** that the New CRO shall consult with the Monitor regarding all material issues relating to the Business (as defined in the Amended and Restated Initial Order) and all issues relating to these proceedings and shall not authorize any payment greater than \$500,000 on behalf of the Prizm Entities without the prior concurrence of the Monitor to such payment.

10. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the New CRO as an officer of this Court, neither the New CRO nor any employee of the New CRO shall be deemed to be a director or trustee of any of the Prizm Entities.

11. **THIS COURT ORDERS** that neither the New CRO nor any employee of the New CRO shall incur any liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its or their part; provided that any liability of the New CRO hereunder shall in no event exceed the quantum of the fees paid to the New CRO.

12. **THIS COURT ORDERS** that no action or other proceeding shall be commenced against or in respect of the New CRO or any employee of the New CRO, except with the written consent of the New CRO or with leave of this Court on notice to the New CRO, the Monitor, and the Prizm Entities.

RESTRUCTURING

13. **THIS COURT ORDERS** that the Prizm Entities shall, subject to the prior consent of the Monitor, have the right to dispose of redundant or non-material assets, and to sell assets or operations not exceeding \$100,000 in any one transaction or \$1,000,000 in the aggregate.

SEALING THE CONFIDENTIAL APPENDICES

14. **THIS COURT ORDERS** that the confidential appendices ● and ● to the Third Report shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice which sets out the title of the proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of the Court.

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

Court File No: CV-11-915900CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF PRISZM INCOME FUND, PRISZM CANADIAN OPERATING TRUST, PRISZM INC.
AND KIT FINANCE INC.

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

ORDER

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Ashley John Taylor LSUC#: 39932E
Tel: (416) 869-5236

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Fax: (416) 947-0866

Lawyers for the Applicants

TAB 4

Court File No. CV-11-9159-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.

)

WEDNESDAY, THE 29TH

JUSTICE MORAWETZ

)

DAY OF JUNE, 2011

**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 PRISZM INCOME FUND, PRISZM CANADIAN OPERATING TRUST, PRISZM
INC. AND KIT FINANCE INC.**

(the "Applicants")

**ORDER
(D&O Claims Solicitation Procedure)**

THIS MOTION, made by Priszm Income Fund, Priszm Canadian Operating Trust, Priszm LP, Priszm Inc. and Kit Finance Inc. (collectively, the "**Priszm Entities**") for an order approving a procedure for the solicitation of claims against their current and former directors and officers, 2279549 Ontario Inc. in its capacity as the Chief Restructuring Officer of the Priszm Entities, Deborah Papernick, and Jim Robertson and 2289500 Ontario Inc., in its capacity as Chief Restructuring Officer of the Priszm Entities and authorizing and directing FTI Consulting Canada Inc., in its capacity as the Court-appointed monitor of the Priszm Entities (the "**Monitor**") to administer the D&O Claims Solicitation Procedure (as defined below) in accordance with its terms, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Deborah Papernick sworn June 23, 2011 and the Third Report of the Monitor, and on hearing the submissions of counsel to the Priszm

Entities, the Monitor, Prudential Investment Management, Inc., Yum! Restaurants International (Canada) Company, 2279549 Ontario Inc., Deborah Papernick, Jim Robertson and 2289500 Ontario Inc. [NAME OTHER PARTIES APPEARING], no one appearing for any other person on the Service List, although properly served as appears from the affidavit of service, filed:

DEFINITIONS

1. **THIS COURT ORDERS** that for purposes of this Order, in addition to the terms defined elsewhere herein, the following terms shall have the following meanings:
 - a) **"Applicants"** means Priszm Income Fund, Priszm Canadian Operating Trust, Priszm Inc. and Kit Finance Inc.;
 - b) **"Business Day"** means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;
 - c) **"CCAA"** means the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36;
 - d) **"Court"** means the Ontario Superior Court of Justice (Commercial List);
 - e) **"D&O Claim"** means an Initial D&O Claim or a Subsequent D&O Claim;
 - f) **"D&O Claims Solicitation Procedure"** means the procedures outlined in this Order, as they may be amended by further order of the Court, including the Schedules hereto;
 - g) **"D&O Creditor"** means any Person asserting a D&O Claim;
 - h) **"Directors and Officers"** means
 - i) the current and former directors of any of the Priszm Entities;
 - ii) the current and former officers of any of the Priszm Entities;
 - iii) Deborah Papernick and 2279549 Ontario Inc., in its capacity as Chief Restructuring Officer of the Priszm Entities; or
 - iv) Jim Robertson and 2289500 Ontario Inc., in its capacity as Chief Restructuring Officer of the Priszm Entities;

- i) **"Filing Date"** means March 31, 2011;
- j) **"FTI Claims Site"** means <https://cmsi.ftitools.com/priszm>;
- k) **"Information Submission Form"** means a form substantially in accordance with the form attached hereto as **Schedule "C"**;
- l) **"Initial D&O Claims Bar Date"** means 5:00 p.m. (Eastern Standard time) on August 19, 2011, or any later date ordered by the Court;
- m) **"Initial D&O Claim"** means any right of any Person against one or more of the Directors and Officers which arose as a result of their position, supervision, management or involvement as Director and Officer, where such right arose on or before June 30, 2011, and whether enforceable in any civil, administrative or criminal proceedings;
- n) **"Initial Order"** means the Initial Order of the Honourable Mr. Justice Morawetz dated March 31, 2011, as extended, amended and restated from time to time, including the Amended and Restated Initial Order of the Honourable Madam Justice Mesbur dated April 29, 2011;
- o) **"Monitor's Website"** means <http://cfcanda.fticonsulting.com/priszm>;
- p) **"Notice to Creditors of Initial D&O Claims Bar Date"** means the notice for publication substantially in the form attached as **Schedule "A"**;
- q) **"Notice to Creditors of Subsequent D&O Claims Bar Date"** means the notice for publication substantially in the form attached as **Schedule "B"**;
- r) **"Person"** means any individual, partnership, firm, joint venture, trust, entity, corporation, unincorporated organization, trade union, pension plan administrator, pension plan regulator, governmental authority or agency, employee or other association, or similar entity, howsoever designated or constituted;
- s) **"Subsequent D&O Claims Bar Date"** means 5:00 p.m. (Eastern Standard time) on a date to be determined by the Priszm Entities, in consultation with the Monitor, or any later date ordered by the Court;
- t) **"Subsequent D&O Claim"** means any right of any Person against one or more of the Directors and Officers which arose as a result of their position, supervision, management or involvement as a Director and Officer, where such right arose after June 30, 2011 and before the Subsequent D&O Claims Bar Date, and whether enforceable in any civil, administrative or criminal proceedings; and
- u) **"Supporting Documentation Submission Form"** means a form substantially in accordance with the form attached as **Schedule "D"**.

ADMINISTRATION OF THE D&O CLAIMS SOLICITATION PROCEDURE

2. **THIS COURT ORDERS** that the D&O Claims Solicitation Procedure shall govern the solicitation of D&O Claims against the Prizm Entities and shall be administered by the Monitor through the FTI Claims Site, except as otherwise provided for in this Order.
3. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA and under the Initial Order, is hereby directed and empowered to take such actions and fulfill such roles as are contemplated by this Order.

SOLICITATION OF INITIAL D&O CLAIMS

4. **THIS COURT ORDERS** that:
 - a) the Monitor shall cause the Notice to Creditors of Initial D&O Claims Bar Date to be published in each of *The Globe and Mail* (national edition) and *La Presse* as soon as practicable after the date of this order; and
 - b) the Monitor shall cause the Notice to Creditors of Initial D&O Claims Bar Date to be posted on the Monitor's Website as soon as practicable after the date of this order and cause it to remain posted until its discharge as Monitor of the Prizm Entities.
5. **THIS COURT ORDERS** that any Person that wishes to assert an Initial D&O Claim must either:
 - a) file their Initial D&O Claim together with all relevant supporting documentation via the FTI Claims Site at <https://cmsi.ftitools.com/prizm> by no later than the Initial D&O Claims Bar Date; or
 - b) if the Person is unwilling or unable to submit its Initial D&O Claim via the FTI Claims Site, file an Information Submission Form and Supporting

Documentation Form with the Monitor by no later than the Initial D&O Claims Bar Date.

6. **THIS COURT ORDERS** that any D&O Creditor with an Initial D&O Claim who does not file proof of such an Initial D&O claim in accordance with the D&O Claims Solicitation Procedure by the Initial D&O Claims Bar Date shall be forever barred from asserting or enforcing such Initial D&O Claim against any of the Directors and Officers and the Directors and Officers shall not have any liability whatsoever in respect of such Initial D&O Claim, and such Initial D&O Claim shall be forever barred and extinguished.

SOLICITATION OF SUBSEQUENT D&O CLAIMS

7. **THIS COURT ORDERS** that the Prizm Entities, in consultation with the Monitor, will establish a Subsequent D&O Claims Bar Date.
8. **THIS COURT ORDERS** that the Monitor shall publish the Notice to Creditors of Subsequent D&O Claims Bar Date in each of *The Globe and Mail* (national edition) and *La Presse* as soon as practicable after the Subsequent D&O Claims Bar Date has been set and not less than four (4) weeks prior to the Subsequent D&O Claims Bar Date.
9. **THIS COURT ORDERS** that the Monitor shall cause the Notice to Creditors of Subsequent D&O Claims Bar Date to be posted on the Monitor's Website as soon as practicable after the Subsequent D&O Claims Bar Date has been set not and not less than four (4) weeks prior to the Subsequent D&O Claims Bar Date and cause the notice to remain posted until its discharge as Monitor of the Prizm Entities.
10. **THIS COURT ORDERS** that any Person that wishes to assert a Subsequent D&O Claim must either:
 - a) file their Subsequent D&O Claim together with all relevant supporting documentation via the FTI Claims Site at <https://cmsi.ftitools.com/prizm> by no later than the Subsequent D&O Claims Bar Date; or

- b) if the Person is unwilling or unable to submit its Subsequent D&O Claim via the FTI Claims Site, file an Information Submission Form and Supporting Documentation Form with the Monitor by no later than the Subsequent D&O Claims Bar Date.
11. **THIS COURT ORDERS** that any D&O Creditor with a Subsequent D&O Claim who does not file proof of such a Subsequent D&O claim in accordance with this D&O Solicitation Procedure by the Subsequent D&O Claims Bar Date shall be forever barred from asserting or enforcing such Subsequent D&O Claim against any of the Directors and Officers and the Directors and Officers shall not have any liability whatsoever in respect of such Subsequent D&O Claim, and such Subsequent D&O Claim shall be forever barred and extinguished.

GENERAL PROVISIONS

12. **THIS COURT ORDERS** that any D&O Creditor who wishes to submit their D&O Claim by filing the Information Submission Form and the Supporting Documentation Submission Form may download a copy of the Information Submission Form and the Supporting Documentation Submission Form from the Monitor's Website at <http://cfcanada.fticonsulting.com/priszm>. A D&O Creditor may also request a copy of the Information Submission Form and the Supporting Documentation Submission Form by contacting the Monitor by facsimile, email, courier, personal delivery or prepaid mail.
13. **THIS COURT ORDERS** that references to the singular include the plural and to the plural include the singular.
14. **THIS COURT ORDERS** that any D&O Creditor who submits the Information Submission Form and the Supporting Documentation Submission Form authorizes the Monitor to input the information contained therein to the FTI Claims Site and that the Monitor shall have no liability for the information submitted other than as a result of gross negligence or wilful misconduct.

15. **THIS COURT ORDERS** that for the purposes of the D&O Claims Solicitation Procedure, all D&O Claims which are denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada noon spot rate of exchange for exchanging the currency to Canadian dollars on the Filing Date.
16. **THIS COURT ORDERS** that any document, notice or communication required to be delivered to the Monitor by a D&O Creditor pursuant to the terms of this Order **must** be delivered either:
- a) via the FTI Claims Site at <https://cmsi.ftitools.com/priszm>; or
 - b) by facsimile, email or electronic transmission, personal delivery, courier or prepaid mail to:

FTI Consulting Canada Inc.
In its capacity as Monitor of Priszm Income Fund, Priszm Canadian Operating Trust, Priszm LP, Priszm Inc. and Kit Finance Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K 1G8

Attention: Rachel Gillespie
Telephone: (416) 649-8057
Facsimile: (416) 649-8101
E-mail: rachel.gillespie@fticonsulting.com
17. **THIS COURT ORDERS** that in the event that the day on which any notice or communication required to be delivered pursuant to the D&O Claims Solicitation Procedure is not a Business Day then such notice or communication shall be required to be delivered on the next Business Day.
18. **THIS COURT ORDERS** that in the event of any strike, lock-out or other event which interrupts postal service in any part of Canada, all notices and communications during such interruption may only be delivered by email, facsimile transmission, personal delivery or courier and any notice or other communication given or made by prepaid mail within the seven (7) day period immediately preceding the commencement of such interruption, unless actually received, shall be deemed not to

have been delivered. All such notices and communications shall be deemed to have been received, in the case of notice by email, facsimile transmission, personal delivery or courier prior to 5:00 p.m. (local time) on a Business Day, when received, if received after 5:00 p.m. (local time) on a Business Day or at any time on a non-Business Day, on the next following Business Day, and in the case of a notice mailed as aforesaid, on the fourth business day following the date on which such notice or other communication is mailed.

19. **THIS COURT ORDERS** that the Monitor is authorized to use reasonable discretion as to adequacy of compliance with respect to the manner in which proof of D&O Claims and other notices are completed and executed and may, where it is satisfied that a D&O Claim has been adequately filed or proven, waive strict compliance with the requirements of this D&O Claims Solicitation Procedure; provided that nothing in this Order shall confer upon the Monitor the discretion or authority to amend or to extend the Initial D&O Claims Bar Date or the Subsequent D&O Claims Bar Date.

20. **THIS COURT ORDERS AND REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court or any judicial, regulatory or administrative body of the United States and the states or other subdivisions of the United States and of any nation or state to act in aid of and be complimentary to this court in carrying out the terms of this D&O Claims Procedure Order.

Schedule "A"

NOTICE TO CREDITORS AND OTHERS OF INITIAL D&O CLAIMS BAR DATE

**IN RESPECT OF CLAIMS AGAINST
THE CURRENT AND FORMER DIRECTORS AND OFFICERS OF
PRISZM INCOME FUND, PRISZM CANADIAN OPERATING TRUST,
PRISZM INC., PRISZM LP AND KIT FINANCE INC.
(collectively, the "Priszm Entities") AND/OR DEBORAH PAPERICK AND/OR
2279549 ONTARIO INC. AND/OR JIM ROBERTSON AND 2289500 ONTARIO INC.
(collectively, the "Directors and Officers")**

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

TO: CREDITORS AND TO ANY OTHER PERSON OR PARTIES

**NOTICE OF D&O CLAIMS SOLICITATION PROCEDURE
AND INITIAL D&O CLAIMS BAR DATE**

PLEASE TAKE NOTICE that this notice is being published pursuant to an order of the Honourable Mr. Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) dated June 29, 2011 (the "**D&O Claims Solicitation Procedure Order**"). Any capitalized terms used herein but not defined have the meaning attributed to them in the D&O Claims Solicitation Procedure Order.

Any Person that believes that it has a claim against one of more Directors and Officers (as defined above) which arose as a result of the Directors and Officers' position, supervision, management or involvement as a Director and Officer on or before June 30, 2011 (an "**Initial D&O Claim**") should either:

- a) go to <https://cmsi.ftitools.com/priszm> (the "**FTI Claims Site**") to create a user account and submit their Initial D&O Claim by following the instructions provided on the FTI Claims Site; or
- b) D&O Creditors with an Initial D&O Claim who are unable or unwilling to use the FTI Claims Site may complete and deliver the Information Submission Form

and the Supporting Documentation Submission Form available on the Monitor's Website at <http://cfcanada.fticonsulting.com/priszm>. A D&O Creditor may also request a copy of the Information Submission Form and the Supporting Documentation Submission Form by contacting the Monitor by telephone at 1-855-492-6215 or (416) 739-2920, by fax at (416) 649-8101, by email at rachel.gillespie@fticonsulting.com or by mail at the address set out below.

The D&O Claim information required to be submitted by the FTI Claims Site must be submitted by or the Information Submission Form and Supporting Documentation Submission Form must be received by mail, fax, email, courier or hand delivery by the Monitor by **no later than 5:00 p.m. (Eastern Standard Time) on August 19, 2011** or such other date as ordered by the Court (the "Initial D&O Claims Bar Date").

INITIAL D&O CLAIMS WHICH ARE NOT RECEIVED BY THE INITIAL D&O CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

Notice of a claims bar date with respect to D&O Claims arising after June 30, 2011 will be posted on the Monitor's website, <http://cfcanada.fticonsulting.com/priszm> and published in *The Globe and Mail* (national edition) and *La Presse* once the Subsequent D&O Claims Bar Date is set by the Priszm Entities in consultation with the Monitor.

Address of the Monitor:

Priszm Income Fund and/or
Priszm Canadian Operating Trust and/or
Priszm Inc. and/or
Priszm LP and/or
Kit Finance Inc.
c/o FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor of
the Priszm Entities
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K 1G8

Attention: Rachel Gillespie

Telephone: (416) 649-8057
Facsimile: (416) 649-8101
E-mail: rachel.gillespie@fticonsulting.com

Dated at _____ this _____ day of _____, 2011.

Schedule "B"

NOTICE TO CREDITORS AND OTHERS OF
SUBSEQUENT D&O CLAIMS BAR DATE

IN RESPECT OF CLAIMS AGAINST
THE CURRENT AND FORMER DIRECTORS AND OFFICERS OF
PRISZM INCOME FUND, PRISZM CANADIAN OPERATING TRUST,
PRISZM INC., PRISZM LP AND KIT FINANCE INC.
(collectively, the "Priszm Entities") AND/OR DEBORAH PAPERICK AND/OR
2279549 ONTARIO INC. AND/OR JIM ROBERTSON AND 2289500 ONTARIO INC.
(collectively, the "Directors and Officers")

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

TO: CREDITORS AND TO ANY OTHER PERSON OR PARTIES

**NOTICE OF D&O CLAIMS SOLICITATION PROCEDURE
AND SUBSEQUENT D&O CLAIMS BAR DATE**

PLEASE TAKE NOTICE that this notice is being published pursuant to an order of the Honourable Mr. Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) dated June 29, 2011 (the "D&O Claims Solicitation Procedure Order"). Any capitalized terms used herein but not defined have the meaning attributed to them in the D&O Claims Solicitation Procedure Order.

Any person who believes that it has a claim against one of more Directors and Officers (as defined above) which arose as a result of such Director's or Officer's position, supervision, management or involvement as a Director or Officer of a Priszm Entity after June 30, 2011 (a "Subsequent D&O Claim") should either:

- a) go to <https://cmsi.ftitools.com/priszm> (the "FTI Claims Site") to create a user account and submit their Subsequent D&O Claim by following the instructions provided on the FTI Claims Site; or

- b) D&O Creditors with a Subsequent D&O Claim who are unable or unwilling to use the FTI Claims Site may complete an Information Submission Form and the Supporting Documentation Submission Form, available on the Monitor Website at <http://cfcanada.fticonsulting.com/priszm>. A D&O Creditor may also request a copy of the Information Submission Form and the Supporting Documentation Submission Form by contacting the Monitor by telephone at 1-855-492-6215 or (416) 739-2920, by fax at (416) 649-8101, by email at rachel.gillespie@fticonsulting.com or by mail at the address set out below.

The D&O Claim information required to be submitted by the FTI Claims Site must be submitted by or the Information Submission Form and Supporting Documentation Submission Form must be received by mail, fax, email, courier or hand delivery by the Monitor by **no later than 5:00 p.m. (Eastern Standard Time) on ●, 2011** or such other date as ordered by the Court (the "Subsequent D&O Claims Bar Date").

SUBSEQUENT D&O CLAIMS WHICH ARE NOT RECEIVED BY THE SUBSEQUENT D&O CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

Address of the Monitor:

Priszm Income Fund and/or
Priszm Canadian Operating Trust and/or
Priszm Inc. and/or
Priszm LP and/or
Kit Finance Inc.
c/o FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor of
the Priszm Entities
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K 1G8

Attention: Rachel Gillespie

Telephone: (416) 649-8057
Facsimile: (416) 649-8101
E-mail: rachel.gillespie@fticonsulting.com

Dated at _____ this _____ day of _____, 2011.

INFORMATION SUBMISSION FORM

IN RESPECT OF CLAIMS AGAINST
 THE CURRENT AND FORMER DIRECTORS AND OFFICERS OF
 PRISZM INCOME FUND, PRISZM CANADIAN OPERATING TRUST,
 PRISZM INC., PRISZM LP AND KIT FINANCE INC.
 (collectively, the "Prizm Entities") AND/OR DEBORAH PAPERICK AND/OR
 2279549 ONTARIO INC. AND/OR JIM ROBERTSON AND 2289500 ONTARIO INC.
 (collectively, the "Directors and Officers")

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

Information Submission Form

Add Contact

Name _____
 Attention _____
 Address 1 _____
 Address 2 _____
 City _____
 State/Province _____
 ZIP/Postal Code _____
 Country _____
 Phone _____
 Fax _____
 Email _____

Type Assignee Attorney CC only Claimant
 Notice None Notice only Primary contact

Add Claim

Claim Amount _____
 Currency _____
 Debtor Company Name _____

Claim Type Pre-Filing Subsequent

Classification Secured Unsecured

Category Employee Former Employee Guarantee Landlord
 Deficiency Trade Other: _____

(continued on page 2)

Security Type* Security Agreement Statutory Lien

*If you are asserting security pursuant to a security agreement, please ensure that you attach the relevant materials, including a copy of your security agreement.

Comments – Please add any comments that may assist us in reviewing your claim.

Future correspondence

All future correspondence will be directed to the email designated in the contact details unless you specifically request that hardcopies be provided.

Hardcopy of correspondence required

Acknowledgement

Signature _____

Date _____

Schedule "D"

SUPPORTING DOCUMENTATION SUBMISSION FORM

**IN RESPECT OF CLAIMS AGAINST
 THE CURRENT AND FORMER DIRECTORS AND OFFICERS OF
 PRISZM INCOME FUND, PRISZM CANADIAN OPERATING TRUST,
 PRISZM INC., PRISZM LP AND KIT FINANCE INC.
 (collectively, the "Priszm Entities") AND/OR DEBORAH PAPERICK AND/OR
 2279549 ONTARIO INC. AND/OR JIM ROBERTSON AND 2289500 ONTARIO INC.
 (collectively, the "Directors and Officers")**

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

Supporting Documentation Submission Form
Contact Details

Name	_____
Attention	_____
Address 1	_____
Address 2	_____
City	_____
State/Province	_____
ZIP/Postal Code	_____
Country	_____
Phone	_____
Fax	_____
Email	_____

Supporting Documentation

Please attach hard copies of your supporting documentation to this form.

Comments

Future correspondence

All future correspondence will be directed to the email designated in the contact details unless you specifically request that hardcopies be provided.

Hardcopy of correspondence required

Acknowledgement

Signature _____

Date _____

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

Court File No: CV-11-9159-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF PRISZM INCOME FUND, PRISZM CANADIAN OPERATING TRUST, PRISZM INC.
AND KIT FINANCE INC.

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

**D&O CLAIMS SOLICITATION
PROCEDURE O R D E R**

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