

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.

Court File No: CV-11-915900CL

May 30/11

May 30, 2011

A.J. Taylor M Konyukhova for Applicant

M. Waxerman FTI Creditors

B. Wadsworth for I.M. Coaker

D. Bial for Colleen Fairview

C. Casper for Yon

P. Shea for Residential

S. Groll for Scott's Nest

D. Ullman for CEO

G. Entlyn for Credit Lamps for Applicants

P. Osborne for Syrus

C. Mills for Metro Rentalea

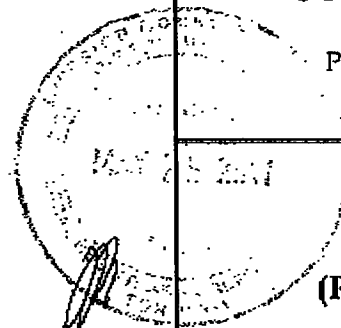
J. W. Gray for Soul

G. Galeswice + G. Carclino for 20 Vic Mtg. Group

The Applicants seek relief -

the form of 3 orders: ① Approval

+ Vesting Order Re Sale to Soul



ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

MOTION RECORD
(RETURNABLE MAY 30, 2011)

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Lawyers for the Applicants

- Restaurants; (2) Approval of Sales Process 2
and Ejectment of Connaught Bakery Corp; and
(3) KERP Amendments.

The requested relief was not opposed.

The requested relief was fully outlined in
the supporting materials which consisted
1 supporting affidavits of Deborah Popovitch
as well as the Second Report of the
Monitor.

A comprehensive factum was ~~also~~ also
submitted by counsel to the Applicants
Counsel to the Applicants explained in
considerable detail the Sales Process -
much of which updated the CCAA
filing as well as negotiations relating
to the purchase price adjustment

Counsel also reviewed the status of 3
lease assignments as well as the
possibility of potential financial adjustments
relating to the leases.

The ^{proposed} reallocation of the IRRP and the
status of the Concord / Gemini
engagements were ~~also~~ also reviewed in
detail.

Counsel to the Trustor reviewed
the Trustor's role which was
summarized in the Report as
well as the recommendations of the
Trustor, which was in support of the
requested relief.

Submissions were made by counsel to
Syco with respect to the

status of contracts between the 4
Applicants and the critical suppliers.
Having reviewed the record and
hearing submissions I am satisfied
that the requested relief
should be granted.

A sales process has been
undertaken and has produced
a result that cannot be
considered unreasonable. In
approving the sale to Soul, I
have concluded that the *Sandanski* and *§ 36*
principles have been respected. *CCAA*

It is noted that the Amended
and Restated Asset Purchase Agreement
has not assigned to the Purchaser

any of the contracts between the Prison 5
Entities and the Central Suppliers other
than those material contracts set
forth in Schedule 'I'

The KERP Reallocation and the
Contract / benefit agreement are also
approved. In arriving at this
determination, I have taken into
account not only the submission of
counsel to the Applicant, but
also the support of the Monitor
and the non-opposite of the parties.
Further, I have also been advised
that the KERP reallocation is
de minimis.

Orders have been signed in
the form presented. The

Sale Approval Order also contains a 6 of 6
sealing provision relating to Appendix 1
to the Second Report and to the Connors
Committee report letter. I am satisfied
that these documents contain sensitive
commercial information, the disclosure
of which could be harmful to
the stakeholders. A sealing ~~order~~
provision is appropriate. In making
this determination, I have considered
the Sierra Club principles.

[subject to
edit if
typed]

A. H. [Signature]