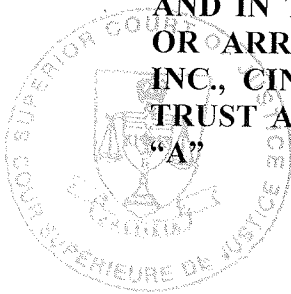


ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) TUESDAY, THE 21ST
JUSTICE NEWBOULD) DAY OF AUGUST, 2012

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 CINRAM INTERNATIONAL
INC., CINRAM INTERNATIONAL INCOME FUND, CII
TRUST AND THE COMPANIES LISTED IN SCHEDULE



Applicants

ORDER
(Assignment of Contracts)

THIS MOTION, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of John H. Bell sworn August 14, 2012 and the Exhibits thereto (the "**Bell Affidavit**") and the Second Report of FTI Consulting Canada Inc. in its capacity as Court-appointed Monitor (the "**Monitor**") dated August 17, 2012 (the "**Monitor's Second Report**"), and on hearing the submissions of counsel for the Applicants and Cinram International Limited Partnership (together with the Applicants, the "**CCAA Parties**"), the Monitor, the Pre-Petition First Lien Agent (as defined in the Initial Order of this Court dated June 25, 2012 (the "**Initial Order**")), the Pre-Petition Second Lien Agent (as defined in the Initial Order), the DIP Agent (as defined in the Initial Order) and Cinram Group, Inc. (formerly Cinram Acquisition, Inc., the "**Purchaser**"), and no one appearing and making submissions for

any other person served with the Motion Record, although properly served as appears from the affidavit of Caroline Descours sworn August 15, 2012, filed,

SERVICE

1. THIS COURT ORDERS that the time for and manner of service of the Notice Letter, the Notice of Motion, the Monitor's Second Report and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

CAPITALIZED TERMS

2. THIS COURT ORDERS that unless otherwise indicated or defined herein, capitalized terms have the meaning given to them in the Bell Affidavit.

APPROVAL OF ASSIGNMENT OF CONTRACTS

3. THIS COURT ORDERS that upon the delivery by the Monitor to the Purchaser at the Closing of the Monitor's Asset Sale Transaction Certificate (as defined in the Approval and Vesting Order of this Court dated July 12, 2012 (the "**Approval and Vesting Order**")), the contracts, agreements and leases listed in Schedule "B" hereto (collectively, the "**Contracts**") to which Cinram International Inc. ("**CII**") is a party are assigned, conveyed and transferred to the Purchaser or one or more entities nominated to take assignment of the Contracts in accordance with the Asset Purchase Agreement (each, a "**Purchaser Nominee**") pursuant to section 11.3 of the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**"), and CII's rights and obligations under the Contracts shall be transferred to and be assumed by the Purchaser and/or a Purchaser Nominee.

4. THIS COURT ORDERS that, with respect to the Contracts that are real property leases and listed on Schedule "B" hereto (collectively the "**Real Property Leases**"), from and after the Closing, the Purchaser and/or a Purchaser Nominee shall be entitled and subject to all of the rights and obligations as tenant pursuant to the terms of the Real Property Leases and registrations thereof and may enter into and upon and hold and enjoy each premises contemplated by the Real Property Leases and, if applicable, any renewals thereof, for its own

use and benefit, all in accordance with the terms of the Real Property Leases, without any interruption from the CCAA Parties, the landlords under the Real Property Leases or any person whomsoever claiming through or under any of the Petitioner Parties or the landlords under the Real Property Leases.

5. THIS COURT ORDERS that the assignment and transfer of the Contracts shall further be subject to the provision of the Approval and Vesting Order directing that the Asset Sellers' rights, title and interests shall vest absolutely in the Purchaser and/or a Purchaser Nominee free and clear of all Encumbrances (as defined in the Approval and Vesting Order) other than the Permitted Encumbrances (as defined in the Approval and Vesting Order).

6. THIS COURT ORDERS that the assignment of the Contracts pursuant to this Order is valid and binding upon all of the counterparties to the Contracts, notwithstanding any restriction or prohibition contained in any such Contracts relating to the assignment thereof, including, but not limited to, any provision requiring the consent of any party to the transfer, conveyance, or assignment of the Contracts.

7. THIS COURT ORDERS that no counterparty under any Contract, nor any other person, upon the assignment and transfer to, and assumption by, the Purchaser and/or a Purchaser Nominee of the Contracts hereunder shall make or pursue any demand, claim, action or suit or exercise any right or remedy under any Contract against the Purchaser and/or a Purchaser Nominee relating to:

- (a) the CCAA Parties having sought or obtained relief under the CCAA;
- (b) the insolvency of the CCAA Parties; or
- (c) any failure by the CCAA Parties to perform a non-monetary obligation under any Contract;

and all such counterparties and persons shall be forever barred and estopped from taking such action. For greater certainty, nothing herein shall limit or exempt the Purchaser or a Purchaser Nominee in respect of obligations accruing, arising or continuing after the Closing under the Contracts other than in respect of items (a) - (b) above.

8. THIS COURT ORDERS that CII and/or any other CCAA Party that is also party to any of the Contracts are hereby authorized and directed to, and may direct another party to, satisfy all monetary defaults in relation to any of the Contracts, if applicable, other than those arising by reason only of the CCAA Parties’:

- (a) insolvency;
- (b) commencement of proceedings under the CCAA; or
- (c) failure to perform a non-monetary obligation under any Contract;

on or before the Closing, as set out in the Assignment Notice, the Supplemental Notices and/or the Designation Notices, as applicable, or as otherwise agreed by the parties, and all payments of monetary defaults hereunder shall be in accordance with the Asset Purchase Agreement.

9. THIS COURT ORDERS that all accruals of unpaid or unbilled amounts under the Contracts in respect of the period of time prior to the Closing and asserted prior to the Closing shall be satisfied by the applicable CCAA Party, or as such CCAA Party may direct, or shall be assumed by the Purchaser and/or a Purchaser Nominee, and any such accruals in respect of amounts asserted after the Closing or liabilities arising after the Closing shall be assumed and satisfied by the Purchaser and/or a Purchaser Nominee, all in accordance with the Asset Purchase Agreement.

10. THIS COURT ORDERS AND DECLARES that any assignment or transfer of leases, contracts or agreements by the Asset Sellers is subject to the Sale Recognition Order issued by the United States Bankruptcy Court for the District of Delaware (the “**U.S. Court**”) on July 25, 2012, authorizing the assumption and assignment of executory contracts and unexpired leases of the Asset Sellers, and any stipulation and order granted by the U.S. Court in respect thereof, and to the extent of any inconsistency between this Order and the Sale Recognition Order, this Order shall govern; provided that no inconsistency results if assumption and/or assignment of a lease, contract or agreement of the Asset Sellers forms part of the Sale Recognition Order but does not form part of this Order (or *vice versa*).

11. THIS COURT ORDERS that, following the date of this Order, including, for greater certainty, following the Closing, upon receipt by CII of a notice of designation by the Purchaser of any additional leases, contracts or agreements not listed on Schedule "B" hereto to which CII is a party, including, for greater certainty, any Olyphant Contracts (as defined in the Asset Purchase Agreement) to which CII is a party, for assignment to the Purchaser and/or a Purchaser Nominee in accordance with section 9.2 of the Asset Purchase Agreement and in respect of which counterparty consent is required thereunder but not obtained (each an "**Additional Assigned Contract**"), CII is authorized and directed to provide notice (a "**Designation Notice**") within three (3) Business Days (as defined in the Asset Purchase Agreement) of such receipt to the applicable counterparty to such Additional Assigned Contract of the assignment to and assumption by the Purchaser and/or a Purchaser Nominee of such Additional Assigned Contract, including any updated cure amount to be paid in connection with such assignment and assumption.

12. THIS COURT ORDERS that any counterparty to an Additional Assigned Contract who receives a Designation Notice shall have seven (7) Business Days from the date of such Designation Notice (the "**Objection Deadline**") to provide notice to the Monitor and the CCAA Parties of any objection it has to such assignment to and assumption by the Purchaser and/or a Purchaser Nominee of the applicable Additional Assigned Contract.

13. THIS COURT ORDERS that if the Monitor and CCAA Parties do not receive any notice of objection to the assignment to and assumption by the Purchaser and/or a Purchaser Nominee of an Additional Assigned Contract by the Objection Deadline, CII shall be authorized to assign such Additional Assigned Contract to the Purchaser and/or a Purchaser Nominee subject to sections 3 to 10, inclusive, of this Order, which shall apply *mutatis mutandis* to the assignment and assumption of any Additional Assigned Contracts without any further Court order.

14. THIS COURT ORDERS that the applicable date of assignment and assumption of any Additional Assigned Contracts shall be the later of the date of service of the Designation Notice or delivery of the Monitor's Asset Sale Transaction Certificate.

15. THIS COURT ORDERS that if notice of an objection to the assignment to and assumption by the Purchaser and/or a Purchaser Nominee of an Additional Assigned Contract is received by the Monitor and the CCAA Parties from the counterparty to such Additional Assigned Contract by the required time, the CCAA Parties are authorized and directed to schedule a motion with this Court for the resolution of such objection.

16. THIS COURT ORDERS that, notwithstanding anything herein, the CCAA Parties may, on not fewer than ten (10) Business Days' prior written notice to the Purchaser (each such notice a "**Rejection Notice**"), cause to be rejected or disclaimed any Open Contract set forth in the Rejection Notice, subject to the right of the Purchaser, upon receipt of the Rejection Notice and prior to the rejection of the applicable Open Contract, to either (a) designate such Open Contract for assumption and assignment in accordance with the procedures set forth in Section 9.2(j) of the Asset Purchase Agreement or (b) agree in writing to reimburse the applicable CCAA Party for the out-of-pocket expenses incurred under such Open Contract from and after the date of the Rejection Notice until the date on which the Purchaser provides the CCAA Parties with notice of the Purchaser's decision as to whether to assume such Open Contract or permit its rejection, in which case the CCAA Parties shall refrain from rejecting such Open Contract until the date they receive notification of such decision from the Purchaser. The CCAA Parties shall act reasonably and in good faith in providing any Rejection Notices, including with respect to the quantity of Open Contracts set forth therein, and shall cooperate with the Purchaser in determining whether or not to assume any Open Contract.


GENERAL

17. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, in the United States or in any other foreign jurisdiction, to give effect to this Order and to assist the CCAA Parties, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the CCAA Parties and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative

status to Cinram International ULC in any foreign proceeding, or to assist the CCAA Parties and the Monitor and their respective agents in carrying out the terms of this Order.

18. THIS COURT ORDERS that each of the CCAA Parties and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and any other Order issued in these proceedings.

19. THIS COURT ORDERS that the CCAA Parties may apply to this Court for advice and direction, or to seek relief in respect of any matters arising from or under this Order, including without limitation, as necessary, to effect the transfer of the Contracts (including any transfer of title registrations in respect of such Contracts), the interpretation of this Order or the implementation thereof, and for any further order that may be required, on notice to any party likely to be affected by the order sought or on such notice as this Court requires.



RECORDED AT THE COURT OF QUEBEC
ON / ENREGISTRÉ
LE / DANS LE REGISTRE NO.:

AUG 21 2012

PER/PAR:



SCHEDULE A

Additional Applicants

Cinram International General Partner Inc.

Cinram International ULC

1362806 Ontario Limited

Cinram (U.S.) Holding's Inc.

Cinram, Inc.

IHC Corporation

Cinram Manufacturing LLC

Cinram Distribution LLC

Cinram Wireless LLC

Cinram Retail Services, LLC

One K Studios, LLC

Schedule "B"

Listed Closing Assigned Contracts

Cinram Parties	Counterparties	Agreement
Cinram International Inc.	EMI Music Canada	Manufacturing and Distribution Services Agreement (Canada)
Cinram International Inc.	Universal Music Canada Inc.	Manufacturing Agreement
Cinram International Inc.	Take-Two Interactive Software, Inc. and Jack Of All Games, Inc.	Guaranty
Cinram International Inc.	nuBridges, LLC	Software License Agreement
Cinram International Inc.	KNAPP Logistics and Automation, Inc.	Hotline Contract
Cinram International Inc.	Computer Associates Canada Ltd.	License Agreement
Cinram International Inc.	Infor Global Solutions	PRMS Software License Agreement
Cinram International Inc.	Xerox Canada Ltd.	Total Document Solutions Agreement
Cinram International Inc.	Nugget Avenue (Phase I) Inc.	Lease
Cinram International Inc.	Macrovision Corporation	Intellectual Property License for Macrovision's Technologies
Cinram International Inc.	Matsushita Electric Industrial, Co., Ltd.	Settlement and License Agreement
Cinram International Inc.	DVD Format/Logo Licensing Corporation	DVD Format/Logo License Agreement
Cinram International Inc.	Rovi Solutions Corporation	CopyBlock Letter Agreement
Cinram International Inc.	Time Warner Inc. and Pioneer Corporation	Pioneer Cross-License Acceptance and Assumption Agreement

Cinram Parties	Counterparties	Agreement
Time Warner Inc. assigned to Cinram International Inc. per Pioneer Cross-License Acceptance and Assumption Agreement	Pioneer Corporation	Cross-License Agreement
Cinram International Inc.	Sony DADC Austria AG	Authorized Replicator Agreement
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Lease Agreement (Lease #: 6024)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Lease Agreement (Lease #: 6026)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Amendment to Equipment Lease (Lease Number 6072/4918)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Lease Agreement (Lease #: 6859)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Lease Agreement (Lease #: 6905)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Lease Agreement (Lease #: 6906)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Lease Agreement (Lease #: 6970)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Lease Agreement (Lease #: 7200)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Amendment to Equipment Lease (Lease Number 7200/9053)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Lease Agreement (Lease #: 7689)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Lease Agreement (Lease #: 7690)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Lease Agreement (Lease #: 7691)

Cinram Parties	Counterparties	Agreement
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Lease Agreement (Lease #: 7762)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Amendment to Equipment Lease (Lease Number MTA 6255/JDE 7835)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Amendment to Equipment Lease (Lease Number MTA 6254/7882)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Amendment to Equipment Lease (Lease Number MTA 6223/7883)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Amendment to Equipment Lease (Lease #: 8024/6224)
Cinram International Inc.	G.N. Johnston Equipment Co. Ltd.	Amendment to Equipment Lease (Lease Number 7366/8285)
Cinram International Inc.	Manufacturers Life Insurance Company	Employee Benefits Policy 901735
Cinram International Inc.	HR Technologies	Sales Agreement
Cinram International Inc.	HR Technologies	Software Maintenance Agreement
Cinram International Inc.	HR Technologies	Hardware Maintenance Agreement
Cinram International Inc.	PHH Vehicle Management Services Inc.	Card Services Agreement

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
CINRAM INTERNATIONAL INC., CINRAM INTERNATIONAL INCOME FUND, CII
TRUST AND THE COMPANIES LISTED IN SCHEDULE "A"

Applicants

ONTARIO
SUPERIOR COURT OF JUSTICE-
COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER

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