

“Designated Employees” means the employees currently employed by the Vendor at the Outlets, the managers employed by the General Partner with respect to the Outlets, and the Regional Directors of Operations, Area Managers, and Field Training Leaders employed by the General Partner with respect to the geographic area in which the Outlets are situated.

“Disclosure Letter” means the letter delivered to the Purchaser by the Vendor on or before January 10, 2011, as may be updated or amended from time to time.

“Employee Plans” means all employee benefit, fringe benefit, supplemental unemployment benefit, bonus, incentive, profit sharing, termination, severance, change of control, pension, retirement, stock option, stock purchase, stock appreciation, health, welfare, medical, dental, disability, life insurance and similar plans, programmes, arrangements or practices relating to the current or former employees, officers or directors of the Vendor maintained, sponsored or funded by the Vendor, whether written or oral, funded or unfunded, insured or self-insured, registered or unregistered.

“Environmental Law” means Applicable Law in respect of the natural environment, public or occupational health or safety, and the manufacture, importation, handling, transportation, storage, disposal and treatment of Hazardous Substances.

“Escrow Agreement” means the Escrow Agreement dated January 17, 2011, among the Vendor, the General Partner, the Purchaser, and Stikeman Elliott LLP, as escrow agent.

“Excluded Assets” has the meaning specified in Section 2(2).

“Franchise Agreement” means the separate and individual franchise agreement for each restaurant in the form of the International Franchise Agreement attached to the Master Franchise Agreement.

“Franchisor” means Yum! Restaurants International (Canada) LP, a limited partnership formed under the laws of the Province of Ontario.

“Governmental Entity” means (i) any multinational, federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign (ii) any subdivision or authority of any of the foregoing, or (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

“Hazardous Substance” means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination of them that may impair the natural environment, injure or damage property or plant or animal life or harm or impair the health of any individual and includes any contaminant, waste, substance or material defined by Environmental Law as hazardous, toxic or dangerous or any other substance or material prohibited, regulated or reportable pursuant to any Environmental Law.

“Intellectual Property” means all right, title and interest of the Vendor in and to the “prizm” name, mark, logo and domain name and the right, title and interest of the Vendor

in all intellectual property related to the operation of the Vendor's call centre or online ordering system.

"Interim Period" means the period between the close of business on the date of this Agreement and the Closing.

"Inventories" has the meaning specified in Schedule "B"

"Landlords" means the landlords under the Leases.

"Landlord Consents" means the consents, to the extent required by the terms of the applicable Leases, of the applicable Landlords under said Leases for the assignment thereof by the Vendor to the Purchaser as contemplated by the terms of this Agreement.

"Leased Premises" means the lands and premises which are the subject of the Leases relating to the Outlets by reference to their municipal address.

"Leases" means the leases relating to the Outlets.

"Lien" means any mortgage, charge, pledge, hypothecation, security interest, assignment, encumbrance, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition that in substance secures payment or performance of an obligation.

"Master Franchise Agreement" means the master franchise agreement between the Vendor and the Franchisor dated as of November 9, 2003, as amended.

"Material Adverse Effect" means any effect that is, or could reasonably be expected to be, material and adverse to the operations, affairs, or condition (financial or otherwise) of the Purchased Assets during the Interim period, taken as a whole which alone or in the aggregate has an adverse effect on the Purchased Assets in excess of CDN\$2,500,000.

"Material Contracts" means those contracts specified in Schedule "I".

"Material Contract Consents" means the consent of the contracting parties to the assignment of any Material Contracts if (a) required by the terms of such Material Contract, and (b) the failure to obtain which would individually have a Material Adverse Effect on the Purchased Assets.

"Monitor" means FTI Canada Consulting Inc., as Court-appointed monitor of the Vendor.

"no-action letter" has the meaning specified in the definition of "Competition Act Approval."

"Occupation Agreement" means the Occupation Agreement between the Vendor and the Purchaser dated as of the date hereof.

**"Ordinary Course"** means, with respect to an action taken by a Person, that such action is consistent with the past practices of the Person and is taken in the ordinary course of the day-to-day operations of the Person.

**"Outlets"** means the outlets of the Vendor listed in Schedule "G".

**"Outlet Software Licenses"** means the licenses for software used exclusively at the Outlets.

**"Outstanding Contract"** has the meaning specified in Section 5.

**"Outstanding Leases"** has the meaning specified in Section 4.

**"Permitted Encumbrances"** means easements, encroachments, restrictions and other imperfections and matters of title which do not, individually or in the aggregate, materially impair the use of any real property.

**"Person"** is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Entity, and the executors, administrators or other legal representatives of an individual in such capacity.

**"Prepaid Expenses"** means all prepaid expenses including prepaid taxes and rent, relating exclusively or primarily to the Purchased Assets, which shall include, without limitation, (i) expenses incurred by the Vendor in respect of any direct mailings scheduled for on or after April 29, 2011, and (ii) any deposit or like amounts paid for in the CCAA proceeding to suppliers in respect of supplies to the Outlets.

**"Profit / Loss Statements"** means the statements prepared by the Vendor in connection with the Outlets for the three year period ending on September 5, 2010, which statements documented the profits and losses of each Outlet.

**"Purchase Price"** has the meaning specified in Section 8(1).

**"Purchased Assets"** has the meaning specified in Section 2(1).

**"Restaurant Cash Float"** means the standard opening cash float and restaurant level petty cash float at each of the Outlets.

**"Sale Approval Order"** means an order issued by the Court approving this Agreement, the transactions contemplated by this Agreement, and vesting in the Purchaser all of the Vendor's right, title and interest in and to the Purchased Assets free and clear of all liens, charges, pledges, security interests and other encumbrances other than Permitted Encumbrances.

**"Taxes"** means all taxes including all income, sales, use, goods and services, harmonized sales, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, levies, imposts and other assessments or similar charges in the nature of a tax including Canada Pension Plan and provincial pension plan contributions, employment insurance and unemployment

insurance payments and workers' compensation premiums, together with any instalments with respect thereto, and any interest, fines and penalties, in all cases imposed by any Governmental Entity in respect thereof and whether disputed or not.

"Trade Fixtures" means the fixtures, shelves, counters, display units, refrigeration equipment, deep fryers, cooking equipment, video cameras and other fixtures used in connection with the operation of the Purchased Assets and which are owned or leased by the Vendor.

"Trade Union" means a national, international, provincial or local organization or association of employees, or a local or provincial branch of a national or international organization or association of employees in British Columbia, that has as one of its purposes a regulation of relations between employers and employees through collective bargaining, and any member or representative of the same, and includes a council of trade unions or a member or representative of a council of trade unions;

"Transferred Employees" means those Designated Employees who accept the Purchaser's offer of employment.

"UPGC Shares" has the meaning specified in Schedule "B".

**SCHEDULE "B"**

**PURCHASED ASSETS**

1. The Vendor's right, title and interest in and to the Leases and the Leased Premises;
2. The Master Franchise Agreement as it relates to the Outlets and the Franchise Agreement for each Outlet;
3. All machinery, equipment, tools, handling equipment, computer equipment, information systems, furniture, furnishings and all other accessories and supplies of all kinds owned by the Vendor and used exclusively or primarily in connection with the Purchased Assets or by the Transferred Employees;
4. All inventories of the Purchased Assets (the "Inventories"), including all food, food ingredients, packaging materials, paper products and miscellaneous consumable and non-consumable inventories of the Purchased Assets;
5. All accounts receivable, notes receivable and other debts due or accruing due to the Vendor in connection with the Purchased Assets (the "Accounts Receivable") and the full benefit of all security for the Accounts Receivable;
6. All Prepaid Expenses;
7. Subject to Section 3 of the Agreement, the full benefit of all Material Contracts;
8. All Authorizations, owned, held or used by the Vendor in connection with the Purchased Assets to the extent that they are transferable;
9. The Restaurant Cash Float;
10. The shares in the capital of UPGC, Inc. ("UPGC Shares") owned by the Vendor and directly related to the Outlets;
11. The Vendor's right, title and interest in and to the Outlet Software Licenses; and
12. Any and all right, title and interest of the Vendor in and to the Trade Fixtures.

**SCHEDULE "C"**

**EXCLUDED ASSETS**

1. Any cash, cash equivalents, securities or other short-term investments of the Vendor (other than, for greater certainty, the Restaurant Cash Float);
2. The original Books and Records;
3. The Intellectual Property;
4. The Master Franchise Agreement other than as the Master Franchise Agreement relates to the Outlets;
5. The Vendor's right, title and interest in and to all software and related software licenses and computer hardware not used directly and exclusively at the Outlets (which for greater certainty does not include the Outlet Software Licenses);
6. The Vendor's right, title and interest in and to the information and technology support and maintenance agreement between the Vendor and IBM;
7. The Vendor's right, title and interest in and to its proportionate share of the sales rebate to which it is entitled to from UPGC, Inc. for the period up to and prior to Closing;
8. The Vendor's right, title and interest in and to the agreement between the Vendor and Global Payments in respect of debit and credit card services;
9. Any real property related to the Purchased Assets;
10. All insurance policies of the Vendor;
11. All Employee Plans; and
12. Any and all assets not located at an Outlet or comprising a Purchased Asset.

SCHEDULE "D"

VENDOR'S REPRESENTATIONS AND WARRANTIES

1. Subject to the Sale Approval Order and authorization as is required by the Court, the execution, delivery and performance by the Vendor of this Agreement:
  - (a) has been duly authorized by all necessary corporate and other action on the part of the Vendor;
  - (b) does not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) require any consent or approval under, result in a breach or a violation of, or conflict with, any of the terms or provisions of its constating documents or by-laws; and
  - (c) will not result in the violation of any Law.
2. This Agreement has been duly executed and delivered by the Vendor and constitutes a legal, valid and binding obligations of the Vendor, enforceable against it in accordance with its terms subject only to any limitation under Applicable Laws relating to (i) bankruptcy, winding-up, insolvency, arrangement and other similar laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
3. The Vendor is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
4. Since April 21, 2011, the business carried on at the Outlets has been carried on in the Ordinary Course.
5. The Vendor is conducting and has always conducted the business carried on with the Purchased Assets in compliance with all Applicable Laws of each jurisdiction in which the Outlets are located in all material respects.
6. Except for the Excluded Assets, the property and assets included in the Purchased Assets constitute all of the assets used by the Vendor in carrying on the business conducted with the Purchased Assets.
7. The Vendor has legal and beneficial ownership of the Purchased Assets.
8. The Profit / Loss Statements fairly present the financial position of the Outlets as at the date it is given.
9. The inventory included in the Purchased Assets, subject to a reasonable allowance for obsolete inventory, is good and usable and is capable of being processed and sold in the Ordinary Course at normal profit margins. The inventory levels of the Purchased Assets have been maintained at levels sufficient for the continuation of the business conducted with the Purchased Assets in the Ordinary Course.

10. Except as disclosed in the Disclosure Letter, the Vendor does not own or purport to own any real property related to the Outlets.
11. The Vendor is not a party to, or under any agreement to become a party to, any leases with respect to real property that is used or to be used in connection with the Purchased Assets other than the Leases.
12. The Vendor has provided to the Purchaser a summary of the Leases.
13. Except for such actions as are required or permitted by the terms of the Initial Order, with respect to each Lease (i) all rents and additional rents have been paid, (ii) no waiver, indulgence or postponement of the lessee's obligations has been granted by the lessor, and (iii) there exists no event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default under the Lease, other than any default resulting from the Vendor's insolvency, the filing for protection pursuant to the CCAA, or any Outlet upgrade that was not made.
14. The Vendor has made available to the Purchaser the Books and Records related to the Outlets.
15. The Material Contracts represent all of the contracts used in connection with the Purchased Assets, and each Material Contract is in full-force and effect and is unamended and there are no outstanding material defaults or breaches under any of the Material Contracts other than any default resulting from the Vendor's insolvency, the filing for protection pursuant to the CCAA, or as permitted or required by the terms of the Initial Order.
16. No material regulatory approval or filing with, notice to, or waiver from any Governmental Entity (other than the Sale Approval Order) is required to be obtained or made by the Vendor: (a) in connection with the execution and delivery of, and performance by the Vendor of its obligations under, this Agreement or the consummation of the transactions contemplated hereby; (b) to transfer any and all rights and benefits thereunder to the Purchaser; or (c) to permit the Purchaser to carry on the business carried on by the Vendor using the Purchased Assets after the Closing as such business is currently carried on by the Vendor.
17. Except as disclosed in the Disclosure Letter, (a) the Vendor is in compliance with all applicable Environmental Laws related to the Outlets in all material respects and (b) to the actual knowledge of the Vendor there are no material breaches of Environmental Laws with respect to any of the properties on which an Outlet is situated. Except as disclosed in the Disclosure Letter, there are no contaminants located in the ground or in groundwater under any of the Outlets except for contaminants in concentrations which would not exceed applicable cleanup or response thresholds.



18. Except as disclosed in the Disclosure Letter, there is no unfair labour practice complaint, grievance or arbitration proceeding, Employment Standards complaints under applicable legislation, court actions or human rights complaints whatsoever, by or involving any of the Designated Employees or former employee (where the former employee wishes to be reinstated) in progress or, to the knowledge of the Vendor, threatened against it.
19. The Vendor has provided to the Purchaser a complete and accurate list of the Designated Employees relating to the Purchased Assets as at the date it is given, which list contains the material terms related to such employment and agrees to update such list as at the Closing Date.
20. The Vendor has provided to the Purchaser a complete and accurate list and description of all Designated Employees as at the date it is given who are on long term disability, on an extended leave of absence or in receipt of workers' compensation benefits and agrees to update such list as at the Closing Date.
21. The Vendor has provided to the Purchaser a complete and accurate list and description of all collective agreements or other agreements with any Trade Union or employee association currently in force with Vendor or any associated or related company (within the meaning thereof under the Labour Relations Code (British Columbia) (whether or not the expiry date of any such agreement has passed) with respect to the Designated Employees.
22. The Vendor has provided to the Purchaser a complete list and description of the Employee Plans applicable to the Designated Employees, together with all amendments, which have been made to such plans since their inception and all of the employee benefit booklets relating thereto.
23. Except as disclosed in the Disclosure Letter, the Vendor is in compliance with all Applicable Laws respecting employment, employment practices and standards, terms and conditions of employment, wages and hours, occupational health and safety, human rights, labour relations, pay equity and workers' compensation, in each case, in all material respects except as is permitted or required under the terms of the Initial Order.
24. None of the Employees is in material violation of any noncompetition, non-solicitation, non-disclosure or any similar agreement with any third party.
25. No agent, broker, investment banker, financial advisor or other firm or Person is or will be entitled to any brokers' or finder's fee or any other commission or similar fee in connection with this Agreement or any of the transactions contemplated hereby except for such fees and commissions as will be paid by the Vendor at Closing without liability whatsoever to the Purchaser.

**SCHEDULE "E"**

**PURCHASER'S REPRESENTATIONS AND WARRANTIES**

1. The Purchaser has been duly incorporated and is validly subsisting under the laws of the jurisdiction of its incorporation, and has all requisite corporate capacity, power and authority to carry on its business as now conducted by it and to own its properties and assets and is qualified to carry on business under the laws of the jurisdictions where it carries on a material portion of its business.
2. The execution, delivery and performance by the Purchaser of this Agreement:
  - (d) has been duly authorized by all necessary corporate action on the part of the Purchaser;
  - (e) does not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) require any consent or approval under, result in a breach or a violation of, or conflict with, any of the terms or provisions of its constating documents or by-laws or any contracts or instruments to which it is a party or pursuant to which any of its assets or property may be affected; and
  - (f) will not result in the violation of any Law.
3. This Agreement has been duly executed and delivered by the Purchaser and constitute legal, valid and binding obligations of the Purchaser, enforceable against it in accordance with their respective terms subject only to any limitation under Applicable Laws relating to (i) bankruptcy, winding-up, insolvency, arrangement and other similar laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
4. The Purchaser has provided evidence to the Vendor that the Purchaser has, and will have at Closing all funds on hand necessary to pay the Purchase Price referred to in Section 8.
5. The Purchaser is a WTO Investor for the purposes of the *Investment Canada Act*.
6. The Purchaser is a registrant within the meaning of Part IX of the *Excise Tax Act* (Canada) and its GST number is 840671515RT0001.

**SCHEDULE "F"**  
**PURCHASE PRICE ALLOCATION PER OUTLET**  
**(Attached)**

Prov	Store	Address	City	LH	Equip	Franchise Rights	Goodwill	Total
QC	1207	195, rue Principale	Aylmer	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
QC	1208	347, bd. St-Joseph	Hull	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
QC	1209	258, rue Notre-Dame	Gatineau	\$ 197,511	\$ 169,295	\$ 112,863	\$ 84,647	\$ 564,316
QC	1210	164, bd. Creber (PFK/TB)	Gatineau	\$ 138,635	\$ 118,830	\$ 79,220	\$ 59,414	\$ 396,099
ON	1300	2000 Jane Street	North York	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1303	965 Dundas St. E.	Mississauga	\$ 133,930	\$ 114,797	\$ 76,531	\$ 57,399	\$ 382,657
ON	1304	1638 Avenue Road	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1305	3351 Lawrence Ave. E.	Scarborough	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1307	190 Queen St. E.	Brampton	\$ 57,782	\$ 49,528	\$ 33,018	\$ 24,764	\$ 165,092
ON	1309	563 Gerrard Street E.	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1310	3495 Sheppard Ave. E.	Scarborough	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1311	2567 Eglinton Ave. E.	Scarborough	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1313	1265 Lawrence Ave. W.	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1315	829 St. Clair Ave. W. (KFC/PH)	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1317	1760 Lawrence Ave. E.	Scarborough	\$ 110,984	\$ 95,129	\$ 63,419	\$ 47,564	\$ 317,096
ON	1322	1 Steeles Ave. E.	Brampton	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1323	3517 Dundas St. W.	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1325	2799 Kingston Road	Scarborough	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1326	9025 Torbram Rd.	Brampton	\$ 98,793	\$ 84,680	\$ 56,453	\$ 42,339	\$ 282,265
ON	1327	1221 Dundas Street W.	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1329	415 Mt. Pleasant Road	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1330	7161 Goreway Dr. (KFC/TB)	Mississauga	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1331	1338 Kennedy Road (KFC/TB)	Scarborough	\$ 39,522	\$ 33,876	\$ 22,584	\$ 16,937	\$ 112,919
ON	1333	466 Queen Street W. (KFC/TB)	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1334	636 Bloor Street W. (KFC/TB)	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1335	2774 Victoria Park	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1336	2500 Danforth Avenue	Toronto	\$ 81,288	\$ 69,675	\$ 46,450	\$ 34,838	\$ 232,251
ON	1338	2296 Eglinton Ave. W.	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1339	2377 Finch Ave. W.	North York	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1340	1743 Albion Road (KFC/TB)	Etobicoke	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1344	891 Pape Avenue	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1345	655 Davis Drive	Newmarket	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1346	3015 Winston Churchill	Mississauga	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1347	5500 Lawrence Ave. E.	Scarborough	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1351	1630 Queen St. E.	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1355	5863 Highway #7	Markham	\$ 100,685	\$ 86,302	\$ 57,534	\$ 43,151	\$ 287,672
ON	1356	5109 Sheppard Ave. E.	Scarborough	\$ 45,188	\$ 38,732	\$ 25,822	\$ 19,366	\$ 129,108
ON	1357	2848 Ellesmere Road	Scarborough	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1360	1340 Kingston Rd. #1	Pickering	\$ 130,271	\$ 111,661	\$ 74,441	\$ 55,830	\$ 372,203
ON	1364	896 Burnhamthorpe Rd	Mississauga	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1365	1971 Finch Ave. W.	Downsview	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1367	60 Dundas St. E.	Mississauga	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1369	27 Ruth Ave., Heartlake	Brampton	\$ 34,006	\$ 29,148	\$ 19,432	\$ 14,573	\$ 97,159
ON	1371	4559 Hurontario St. Unit A7	Mississauga	\$ 41,186	\$ 35,302	\$ 23,535	\$ 17,650	\$ 117,673
ON	1372	973 Simcoe St. N.	Oshawa	\$ 107,485	\$ 92,130	\$ 61,420	\$ 46,064	\$ 307,099
ON	1373	474 Simcoe St. S.	Oshawa	\$ 118,808	\$ 101,835	\$ 67,890	\$ 50,918	\$ 339,451
ON	1374	574 King St. E.	Oshawa	\$ 116,400	\$ 99,771	\$ 66,514	\$ 49,886	\$ 332,571
ON	1377	15 Westney Rd.,	Ajax	\$ 389,845	\$ 334,153	\$ 222,769	\$ 167,077	\$ 1,113,844
ON	1378	25 Thickson Rd.	Whitby	\$ 47,923	\$ 41,077	\$ 27,385	\$ 20,539	\$ 136,924
ON	1380	9940 Airport Rd., Bldg. K (KFC/TB)	Brampton	\$ 382,290	\$ 327,677	\$ 218,451	\$ 163,838	\$ 1,092,256
ON	1385	10068 McLaughlin Road (KFC/TB)	Brampton	\$ 420,748	\$ 360,641	\$ 240,428	\$ 180,321	\$ 1,202,138
ON	1388	5322 Dundas Street West (KFC/TB)	Etobicoke	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1389	10594 Yonge Street (KFC/TB)	Richmond Hill	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1391	6277 Mississauga Road	Mississauga	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1392	6740 Meadowvale Town Centre	Mississauga	\$ 174,440	\$ 149,520	\$ 99,680	\$ 74,759	\$ 498,399
ON	1393	1070 Major Mackenzie Dr. E (KFC/TB)	Richmond Hill	\$ 184,045	\$ 157,753	\$ 105,168	\$ 78,876	\$ 525,842
ON	1394	3777 Keele Street (KFC/TB)	North York	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1396	2225 Erin Mills Pkwy (KFC/TB)	Mississauga	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1402	932 St. Laurent Blvd	Ottawa	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1405	1677 Bank St.	Ottawa	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1406	Hwy #31, 2919 Bank St.	Ottawa	\$ 75,207	\$ 64,463	\$ 42,976	\$ 32,232	\$ 214,878
ON	1407	1556 Merivale Road	Nepean	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1408	3780 Fallowfield Road, Unit 724	Nepean	\$ 160,965	\$ 137,970	\$ 91,980	\$ 68,986	\$ 459,901
ON	1409	4027 Innes Rd (KFC/TB)	Gloucester	\$ 133,292	\$ 114,251	\$ 76,167	\$ 57,125	\$ 380,835
ON	1410	21 Main St. E.	Smith Falls	\$ 70,529	\$ 60,453	\$ 40,302	\$ 30,226	\$ 201,510
ON	1411	41 Dufferin St.	Perth	\$ 36,642	\$ 31,407	\$ 20,938	\$ 15,703	\$ 104,690
ON	1412	415 Pembroke St. E.	Pembroke	\$ 141,756	\$ 121,505	\$ 81,003	\$ 60,753	\$ 405,017
ON	1413	70 Raglan St. S.	Renfrew	\$ 85,219	\$ 73,045	\$ 48,697	\$ 36,523	\$ 243,484
ON	1414	145 Madawaska Blvd	Arnprior	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1416	475 Hazeldean Rd. (KFC/TB)	Kanata	\$ 189,449	\$ 162,385	\$ 108,257	\$ 81,193	\$ 541,284
ON	1418	1943 Baseline Road	Ottawa	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1425	307 Cannon St. E.	Hamilton	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1426	716 Main St. E.	Hamilton	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1427	45 Parkdale Ave. N.	Hamilton	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1428	1222 Barton St. E.	Hamilton	\$ 53,861	\$ 46,166	\$ 30,778	\$ 23,083	\$ 153,888
ON	1429	631 King St. W.	Hamilton	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1430	133 Hwy 8	Stoney Creek	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1431	706 Queenston Road	Hamilton	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1437	1072 Adelaide St. N.	London	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1438	1683 Dundas St.	London	\$ 100,456	\$ 86,105	\$ 57,403	\$ 43,053	\$ 287,017

Prov	Store	Address	City	LH	Equip	Franchise Rights	Goodwill	Total
ON	1439	689 Hamilton Rd	London	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1442	850 Wellington Rd S.	London	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1444	1915 Hyde Park Road (KFC/TB)	London	\$ 115,562	\$ 99,053	\$ 66,035	\$ 49,527	\$ 330,177
ON	1445	1026 Wonderland Rd., S. (KFC/TB)	London	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1446	3006 Dougall Rd	Windsor	\$ 56,757	\$ 48,649	\$ 32,432	\$ 24,324	\$ 162,162
ON	1448	1916 Wyandotte St. W.	Windsor	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1449	1485 Erie St. E.	Windsor	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1450	4320 Tecumseh Rd E.	Windsor	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1452	27 Amy Croft Road	Windsor	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1500	315 Bayfield St. N. (KFC/TB)	Barrie	\$ 132,880	\$ 113,897	\$ 75,932	\$ 56,949	\$ 379,658
ON	1502	353 Duckworth St.	Barrie	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1504	70 First Street	Collingwood	\$ 33,889	\$ 29,048	\$ 19,365	\$ 14,523	\$ 96,825
ON	1505	375 King Street	Midland	\$ 115,956	\$ 99,391	\$ 66,260	\$ 49,695	\$ 331,302
ON	1506	786 Chemong Rd.	Peterborough	\$ 247,618	\$ 212,244	\$ 141,496	\$ 106,122	\$ 707,480
ON	1509	507 Division St.,	Cobourg	\$ 39,594	\$ 33,938	\$ 22,625	\$ 16,969	\$ 113,126
ON	1510	63 Lindsay St. (KFC/TB)	Lindsay	\$ 141,724	\$ 121,478	\$ 80,985	\$ 60,738	\$ 404,925
ON	1511	209 King St.,	Bowmanville	\$ 103,986	\$ 89,131	\$ 59,420	\$ 44,565	\$ 297,102
ON	1512	178 Front St.,	Trenton	\$ 114,953	\$ 98,531	\$ 65,687	\$ 49,265	\$ 328,436
ON	1514	464 Dundas St.	Belleville	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1515	90 Main St.	Pictou	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1516	499 Dundas St. (Galt) (KFC/TB)	Cambridge	\$ 140,028	\$ 120,024	\$ 80,016	\$ 60,012	\$ 400,080
ON	1518	79 Charing Cross Street	Brantford	\$ 118,900	\$ 101,914	\$ 67,943	\$ 50,956	\$ 339,713
ON	1519	27 Dalhousie Street	Brantford	\$ 102,957	\$ 88,249	\$ 58,833	\$ 44,124	\$ 294,163
ON	1520	474 Norfolk St. S.	Simcoe	\$ 137,020	\$ 117,446	\$ 78,297	\$ 58,722	\$ 391,485
ON	1521	7 King St.	Delhi	\$ 91,353	\$ 78,302	\$ 52,202	\$ 39,151	\$ 261,008
ON	1522	80 Talbot St. W.	Alymer	\$ 71,255	\$ 61,076	\$ 40,717	\$ 30,539	\$ 203,587
ON	1523	979 Talbot St.	St. Thomas	\$ 197,726	\$ 169,480	\$ 112,986	\$ 84,740	\$ 564,932
ON	1525	134 Talbot St. W.	Leamington	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1527	541 Queen St.	Chatham	\$ 71,533	\$ 61,314	\$ 40,876	\$ 30,657	\$ 204,380
ON	1528	346 St. Clair St.	Chatham	\$ 59,323	\$ 50,848	\$ 33,899	\$ 25,424	\$ 169,494
ON	1529	1314 Dufferin St.	Wallaceburg	\$ 45,816	\$ 39,271	\$ 26,181	\$ 19,635	\$ 130,903
ON	1530	5 Mill St. W.	Tilbury	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1532	1300 LaSalle Blvd	Sudbury	\$ 132,665	\$ 113,713	\$ 75,809	\$ 56,856	\$ 379,043
ON	1533	1341 Martindale Rd	Sudbury	\$ 135,272	\$ 115,947	\$ 77,298	\$ 57,973	\$ 386,490
ON	1535	405 Cote' Blvd., Box 10.	Chelmsford	\$ 70,189	\$ 60,162	\$ 40,108	\$ 30,082	\$ 200,541
ON	1536	1657 Main St. West.	Val Caron	\$ 55,765	\$ 47,798	\$ 31,866	\$ 23,899	\$ 159,328
ON	1537	2013 Arthur St. E.	Thunder Bay	\$ 394,345	\$ 338,010	\$ 225,340	\$ 169,005	\$ 1,126,700
ON	1538	825 Red River Rd	Thunder Bay	\$ 157,829	\$ 135,282	\$ 90,188	\$ 67,642	\$ 450,941
ON	1539	319 N. Cumberland St.	Thunder Bay	\$ 191,098	\$ 163,798	\$ 109,199	\$ 81,898	\$ 545,993
ON	1540	136 Grand Trunk Ave.	Dryden	\$ 183,404	\$ 157,203	\$ 104,802	\$ 78,601	\$ 524,010
ON	1541	161 Trunk Road	Sault St. Marie	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1542	389 Great Northern Rd (KFC/TB)	Sault St. Marie	\$ 132,559	\$ 113,622	\$ 75,748	\$ 56,811	\$ 378,740
ON	1543	50 Wellington St.	Guelph	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1544	620 Scottsdale Dr.	Guelph	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1545	1001 3rd Avenue East	Owen Sound	\$ 106,849	\$ 91,585	\$ 61,056	\$ 45,792	\$ 305,282
ON	1546	675 St. David Street	Fergus	\$ 47,448	\$ 40,670	\$ 27,113	\$ 20,336	\$ 135,567
ON	1547	379 Ontario Street (KFC/TB)	St. Catharines	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1548	60 Hartzell Road	St. Catharines	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1549	Linwell Plaza 486-500 Grantham Ave.	St. Catharines	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1552	3567 Portage Road	Niagara Falls	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1553	311 Main Street	Dunnville	\$ 40,624	\$ 34,820	\$ 23,214	\$ 17,410	\$ 116,068
ON	1554	322 Argyle Street South	Caledonia	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1555	1245 Brookdale Ave.	Cornwall	\$ 176,871	\$ 151,604	\$ 101,069	\$ 75,802	\$ 505,346
ON	1556	1326 Second St.	Cornwall	\$ 48,113	\$ 41,240	\$ 27,493	\$ 20,621	\$ 137,467
ON	1557	827 McGill St.	Hawkesbury	\$ 170,047	\$ 145,754	\$ 97,170	\$ 72,877	\$ 485,848
ON	1559	28 Dumfries St.	Paris	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1561	644 Yonge Street (KFC/TB)	Barrie	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1564	38 Broadway Avenue (KFC/TB)	Orangeville	\$ 160,078	\$ 137,210	\$ 91,473	\$ 68,606	\$ 457,367
BC	1800	5094 Kingsway	Burnaby	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1802	1147 Davie Street	Vancouver	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1803	726 - 6th Street	New Westminster	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1807	10565 King George Hwy	Surrey	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1808	6487 Knight Street	Vancouver	\$ 145,322	\$ 124,562	\$ 83,041	\$ 62,281	\$ 415,206
BC	1811	2255 Lonsdale Avenue	North Vancouver	\$ 100,248	\$ 85,927	\$ 57,285	\$ 42,964	\$ 286,424
BC	1813	22219 Lougheed Hwy (KFC/TB)	Maple Ridge	\$ 136,786	\$ 117,245	\$ 78,163	\$ 58,622	\$ 390,816
BC	1814	2190 Kingsway	Vancouver	\$ 82,975	\$ 71,121	\$ 47,414	\$ 35,561	\$ 237,071
BC	1815	1531 Johnston Rd	White Rock	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1818	9056 - 152nd Street (KFC/TB)	Surrey	\$ 180,048	\$ 154,327	\$ 102,885	\$ 77,164	\$ 514,424
BC	1819	602 Clarke Rd	Coquitlam	\$ 40,284	\$ 34,529	\$ 23,020	\$ 17,265	\$ 115,098
BC	1820	13577 - 73rd Avenue (KFC/TB)	Surrey	\$ 34,748	\$ 29,784	\$ 19,856	\$ 14,893	\$ 99,281
BC	1823	32843 South Fraser Way	Abbotsford	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1824	795 East Broadway	Vancouver	\$ 64,160	\$ 54,994	\$ 36,663	\$ 27,496	\$ 183,313
BC	1826	45843 Yale Road W.	Chilliwack	\$ 55,947	\$ 47,955	\$ 31,970	\$ 23,977	\$ 159,849
BC	1827	6 - 8751 No. 1 Road	Richmond	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1828	19971 - 64th Avenue (KFC/TB)	Langley	\$ 127,659	\$ 109,422	\$ 72,948	\$ 54,710	\$ 364,739
BC	1832	45367 Luckakuck Way (KFC/TB)	Sardis	\$ 108,568	\$ 93,058	\$ 62,039	\$ 46,529	\$ 310,194
BC	1835	20177 88th Avenue, R.R.# 15	Langley	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1836	#208 - 10111 No. 3 Road	Richmond	\$ 74,835	\$ 64,144	\$ 42,763	\$ 32,071	\$ 213,813
BC	1837	2677 Clearbrook Rd.	Clearbrook	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1838	12121 - 72nd Avenue	Surrey	\$ 125,082	\$ 107,213	\$ 71,475	\$ 53,606	\$ 357,376

## Schedule F

Prov	Store Address	City	LH	Equip	Franchise Rights	Goodwill	Total
BC	1839 Pinetree Village 1-2991 Loughead Hwy. (KFC/TB)	Coquitlam	\$ 108,688	\$ 93,161	\$ 62,108	\$ 46,581	\$ 310,538
BC	1840 #101-8737 120 St. (KFC/TB)	Delta	\$ 75,132	\$ 64,399	\$ 42,932	\$ 32,199	\$ 214,662
BC	1860 1555 Hillside Avenue	Victoria	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1861 3140 Douglas Street	Victoria	\$ 40,419	\$ 34,645	\$ 23,097	\$ 17,322	\$ 115,483
BC	1862 731 Goldstream Avenue	Victoria	\$ 133,032	\$ 114,027	\$ 76,018	\$ 57,013	\$ 380,090
BC	1870 1897 Main Street (KFC/TB)	Penticton	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1872 4102 Redford Street	Port Alberni	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1874 3110 - 32nd Street	Vernon	\$ 51,008	\$ 43,721	\$ 29,147	\$ 21,860	\$ 145,736
BC	1875 855 - 8th Street	North Kamloops	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1876 902 Island Hwy.	Campbell River	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1877 4750 Lakelse Avenue (KFC/TB)	Terrace	\$ 56,810	\$ 48,695	\$ 32,463	\$ 24,347	\$ 162,315
BC	1882 230 N.E. Ross Street	Salmon Arm	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1883 310 Oliver Street	Williams Lake	\$ 52,480	\$ 44,983	\$ 29,989	\$ 22,491	\$ 149,943
BC	1886 520 Cranbrook Street	Cranbrook	\$ 116,753	\$ 100,074	\$ 66,716	\$ 50,038	\$ 333,581
BC	1887 555 Notre Dame Dr (KFC/TB)	Kamloops	\$ 115,201	\$ 98,744	\$ 65,829	\$ 49,373	\$ 329,147
BC	1888 520 Hwy. 33 West (KFC/TB)	Kelowna	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
BC	1890 6896 Island Hwy. N. (KFC/TB)	North Nanaimo	\$ 118,756	\$ 101,791	\$ 67,861	\$ 50,895	\$ 339,303
BC	1891 #3 - 3151 Lakeshore Rd	Kelowna	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1909 SCARBOROUGH TOWN CENTRE #286 - 300 Borough Drive	Scarborough	\$ 219,536	\$ 188,174	\$ 125,449	\$ 94,087	\$ 627,246
ON	1910 BRAMALEA CITY CENTRE 25 Peel Centre Dr.	Brampton	\$ 72,818	\$ 62,415	\$ 41,610	\$ 31,208	\$ 208,051
ON	1918 SQUARE ONE 100 City Center Dr.	Mississauga	\$ 155,187	\$ 133,017	\$ 88,678	\$ 66,509	\$ 443,391
ON	1919 DEVONSHIRE 3100 Howard Ave.	Windsor	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1920 RIDEAU CENTER 50 Rideau St	Ottawa	\$ 140,959	\$ 120,822	\$ 80,548	\$ 60,410	\$ 402,739
ON	1921 TORONTO EATON CENTRE 220 Yonge Street	Toronto	\$ 114,321	\$ 97,990	\$ 65,326	\$ 48,995	\$ 326,632
ON	1926 DUFFERIN MALL 900 Dufferin Street	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1927 FAIRVIEW MALL 1800 Sheppard Ave. E.	North York	\$ 108,577	\$ 93,066	\$ 62,044	\$ 46,533	\$ 310,220
ON	1931 SCOTIA PLAZA 40 King Street W., Box 526	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	1932 YORKDALE PLAZA 3401 Dufferin St.	North York	\$ 162,220	\$ 139,046	\$ 92,697	\$ 69,524	\$ 463,487
ON	1933 MARKVILLE UNIT 5000 Hwy 7 E. #261	Markham	\$ 48,970	\$ 41,974	\$ 27,983	\$ 20,987	\$ 139,914
ON	1940 COLLEGE PARK 444 Yonge Street (KFC/TB)	Toronto	\$ 177,050	\$ 151,757	\$ 101,171	\$ 75,878	\$ 505,856
ON	1943 YORK UNIVERSITY 4700 Keele St. (KFC/TB)	North York	\$ 50,384	\$ 43,186	\$ 28,791	\$ 21,592	\$ 143,953
ON	1950 Shoppers World 499 Main St. Unit #56 (KFC/TB)	Brampton	\$ 66,540	\$ 57,035	\$ 38,023	\$ 28,517	\$ 190,115
ON	1951 Promenade Mall, 1 Promenade Circle Units F113 & SC13 (KFC/TB)	Thornhill	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	4409 919 Industrial Avenue (3n1 - PH/TB/KFC) <6400>	Ottawa	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	4518 1 Richmond Street (PH/KFC)	Napanee	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	6307 730 Yonge Street (TB/KFC) (MALL)	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	6311 1610 The Queensway (TB/KFC)	Etobicoke	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	6314 7028 Yonge Street (TB/KFC)	Thornhill	\$ 131,271	\$ 112,518	\$ 75,012	\$ 56,258	\$ 375,059
ON	6315 230 Queen Street East (TB)	Brampton	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	6316 16599 Yonge Street (TB/KFC)	Newmarket	\$ 137,145	\$ 117,553	\$ 78,368	\$ 58,776	\$ 391,842
ON	6317 900 Dufferin Rd. Building B (3n1 - TB/PH/KFC)	Toronto	\$ 10,171	\$ 8,718	\$ 5,812	\$ 4,360	\$ 29,061
ON	6502 336 Front Street North (TB/KFC 1513)	Belleville	\$ 319,867	\$ 274,172	\$ 182,781	\$ 137,087	\$ 913,907
ON	6504 595 Lansdowne Avenue (TB/KFC)	Peterborough	\$ 193,782	\$ 166,099	\$ 110,732	\$ 83,049	\$ 553,662
ON	6901 DEVONSHIRE MALL. 3100 Howard Ave. (TB) (MALL)	Windsor	\$ 53,690	\$ 46,020	\$ 30,680	\$ 23,010	\$ 153,400
	204 TOTAL		\$ 13,824,972	\$ 11,849,975	\$ 7,899,980	\$ 5,925,073	\$ 39,500,000

**SCHEDULE "G"**

**OUTLETS**

**(Attached)**

## SCHEDULE "G"

## OUTLETS

	Prov	Store	Address	City
1.	QC	1207	195, rue Principale	Aylmer
2.	QC	1208	347, bd. St-Joseph	Hull
3.	QC	1209	258, rue Notre-Dame	Gatineau
4.	QC	1210	164, bd. Greber (PFK/TB)	Gatineau
5.	ON	1300	2000 Jane Street	North York
6.	ON	1303	965 Dundas St. E.	Mississauga
7.	ON	1304	1638 Avenue Road	Toronto
8.	ON	1305	3351 Lawrence Ave. E.	Scarborough
9.	ON	1307	190 Queen St. E.	Brampton
10.	ON	1309	563 Gerrard Street E.	Toronto
11.	ON	1310	3495 Sheppard Ave. E.	Scarborough
12.	ON	1311	2567 Eglinton Ave. E.	Scarborough
13.	ON	1313	1265 Lawrence Ave. W.	Toronto
14.	ON	1315	829 St. Clair Ave. W. (KFC/PH)	Toronto
15.	ON	1317	1760 Lawrence Ave. E.	Scarborough
16.	ON	1322	1 Steeles Ave. E.	Brampton
17.	ON	1323	3517 Dundas St. W.	Toronto
18.	ON	1325	2799 Kingston Road	Scarborough
19.	ON	1326	9025 Torbram Rd	Brampton
20.	ON	1327	1221 Dundas Street W.	Toronto
21.	ON	1329	415 Mt. Pleasant Road	Toronto
22.	ON	1330	7161 Goreway Dr. (KFC/TB)	Mississauga
23.	ON	1331	1338 Kennedy Road (KFC/TB)	Scarborough



24.	ON	1333	466 Queen Street W. (KFC/TB)	Toronto
25.	ON	1334	636 Bloor Street W. (KFC/TB)	Toronto
26.	ON	1335	2774 Victoria Park	Toronto
27.	ON	1336	2500 Danforth Avenue	Toronto
28.	ON	1338	2296 Eglinton Ave. W.	Toronto
29.	ON	1339	2377 Finch Ave. W.	North York
30.	ON	1340	1743 Albion Road (KFC/TB)	Etobicoke
31.	ON	1344	891 Pape Avenue	Toronto
32.	ON	1345	655 Davis Drive	Newmarket
33.	ON	1346	3015 Winston Churchill	Mississauga
34.	ON	1347	5500 Lawrence Ave. E.	Scarborough
35.	ON	1351	1630 Queen St. E.	Toronto
36.	ON	1355	5863 Highway #7	Markham
37.	ON	1356	5109 Sheppard Ave. E.	Scarborough
38.	ON	1357	2848 Ellesmere Road	Scarborough
39.	ON	1360	1340 Kingston Rd. #1	Pickering
40.	ON	1364	896 Burnhamthorpe Rd	Mississauga
41.	ON	1365	1971 Finch Ave. W.	Downsview
42.	ON	1367	60 Dundas St. E.	Mississauga
43.	ON	1369	27 Ruth Ave., Heartlake	Brampton
44.	ON	1371	4559 Hurontario St. Unit A7	Mississauga
45.	ON	1372	973 Simcoe St. N.	Oshawa
46.	ON	1373	474 Simcoe St. S.	Oshawa
47.	ON	1374	574 King St. E.	Oshawa
48.	ON	1377	15 Westney Rd.,	Ajax

49.	ON	1378	25 Thickson Rd.	Whitby
50.	ON	1380	9940 Airport Rd., Bldg. K (KFC/TB)	Brampton
51.	ON	1385	10068 McLaughlin Road (KFC/TB)	Brampton
52.	ON	1388	5322 Dundas Street West (KFC/TB)	Etobicoke
53.	ON	1389	10594 Yonge Street (KFC/TB)	Richmond Hill
54.	ON	1391	6277 Mississauga Road	Mississauga
55.	ON	1392	6740 Meadowvale Town Centre	Mississauga
56.	ON	1393	1070 Major Mackenzie Dr. E (KFC/TB)	Richmond Hill
57.	ON	1394	3777 Keele Street (KFC/TB)	North York
58.	ON	1396	2225 Erin Mills Pky (KFC/TB)	Mississauga
59.	ON	1402	932 St. Laurent Blvd	Ottawa
60.	ON	1405	1677 Bank St.	Ottawa
61.	ON	1406	Hwy #31, 2919 Bank St.	Ottawa
62.	ON	1407	1556 Merivale Road	Nepean
63.	ON	1408	3780 Fallowfield Road, Unit 724	Nepean
64.	ON	1409	4027 Innes Rd (KFC/TB)	Gloucester
65.	ON	1410	21 Main St. E.	Smith Falls
66.	ON	1411	41 Dufferin St.	Perth
67.	ON	1412	415 Pembroke St. E.	Pembroke
68.	ON	1413	70 Raglan St. S.	Renfrew
69.	ON	1414	145 Madawaska Blvd	Arnprior
70.	ON	1416	475 Hazeldean Rd. (KFC/TB)	Kanata
71.	ON	1418	1943 Baseline Road	Ottawa
72.	ON	1425	307 Cannon St. E.	Hamilton
73.	ON	1426	716 Main St. E.	Hamilton

74.	ON	1427	45 Parkdale Ave. N.	Hamilton
75.	ON	1428	1222 Barton St. E.	Hamilton
76.	ON	1429	631 King St. W.	Hamilton
77.	ON	1430	133 Hwy 8	Stoney Creek
78.	ON	1431	706 Queenston Road	Hamilton
79.	ON	1437	1072 Adelaide St. N.	London
80.	ON	1438	1683 Dundas St.	London
81.	ON	1439	689 Hamilton Rd	London
82.	ON	1442	850 Wellington Rd S.	London
83.	ON	1444	1915 Hyde Park Road (KFC/TB)	London
84.	ON	1445	1026 Wonderland Rd., S. (KFC/TB)	London
85.	ON	1446	3006 Dougall Rd	Windsor
86.	ON	1448	1916 Wyandotte St. W.	Windsor
87.	ON	1449	1485 Erie St. E.	Windsor
88.	ON	1450	4320 Tecumseh Rd E.	Windsor
89.	ON	1452	27 Amy Croft Road	Windsor
90.	ON	1500	315 Bayfield St. N. (KFC/TB)	Barrie
91.	ON	1502	353 Duckworth St.	Barrie
92.	ON	1504	70 First Street	Collingwood
93.	ON	1505	375 King Street	Midland
94.	ON	1506	786 Chemong Rd.	Peterborough
95.	ON	1509	507 Division St.,	Cobourg
96.	ON	1510	63 Lindsay St. (KFC/TB)	Lindsay
97.	ON	1511	209 King St.,	Bowmanville
98.	ON	1512	178 Front St.,	Trenton

99.	ON	1514	464 Dundas St.	Belleville
100.	ON	1515	90 Main St.	Picton
101.	ON	1516	499 Dundas St. (Galt) (KFC/TB)	Cambridge
102.	ON	1518	79 Charing Cross Street	Brantford
103.	ON	1519	27 Dalhousie Street	Brantford
104.	ON	1520	474 Norfolk St. S.	Simcoe
105.	ON	1521	7 King St.	Delhi
106.	ON	1522	80 Talbot St. W.	Alymer
107.	ON	1523	979 Talbot St.	St. Thomas
108.	ON	1525	134 Talbot St. W.	Leamington
109.	ON	1527	541 Queen St.	Chatham
110.	ON	1528	346 St. Clair St.	Chatham
111.	ON	1529	1314 Dufferin St.	Wallaceburg
112.	ON	1530	5 Mill St. W.	Tilbury
113.	ON	1532	1300 LaSalle Blvd	Sudbury
114.	ON	1533	1341 Martindale Rd	Sudbury
115.	ON	1535	405 Cote' Blvd.,Box 10.	Chelmsford
116.	ON	1536	1657 Main St.West.	Val Caron
117.	ON	1537	2013 Arthur St. E.	Thunder Bay
118.	ON	1538	825 Red River Rd	Thunder Bay
119.	ON	1539	319 N. Cumberland St.	Thunder Bay
120.	ON	1540	136 Grand Trunk Ave.	Dryden
121.	ON	1541	161 Trunk Road	Sault St. Marie
122.	ON	1542	389 Great Northern Rd (KFC/TB)	Sault St. Marie
123.	ON	1543	50 Wellington St.	Guelph

124.	ON	1544	620 Scottsdale Dr.	Guelph
125.	ON	1545	1001 3rd Avenue East	Owen Sound
126.	ON	1546	675 St. David Street	Fergus
127.	ON	1547	379 Ontario Street (KFC/TB)	St. Catharines
128.	ON	1548	60 Hartzell Road	St. Catharines
129.	ON	1549	Linwell Plaza 486-500 Grantham Ave.	St. Catharines
130.	ON	1552	3567 Portage Road	Niagara Falls
131.	ON	1553	311 Main Street	Dunnville
132.	ON	1554	322 Argyle Street South	Caledonia
133.	ON	1555	1245 Brookdale Ave.	Cornwall
134.	ON	1556	1326 Second St.	Cornwall
135.	ON	1557	827 McGill St.	Hawkesbury
136.	ON	1559	28 Dumfries St.	Paris
137.	ON	1561	644 Yonge Street (KFC/TB)	Barrie
138.	ON	1564	38 Broadway Avenue (KFC/TB)	Orangeville
139.	BC	1800	5094 Kingsway	Burnaby
140.	BC	1802	1147 Davie Street	Vancouver
141.	BC	1803	726 - 6th Street	New Westminster
142.	BC	1807	10565 King George Hwy	Surrey
143.	BC	1808	6487 Knight Street	Vancouver
144.	BC	1811	2255 Lonsdale Avenue	North Vancouver
145.	BC	1813	22219 Lougheed Hwy (KFC/TB)	Maple Ridge
146.	BC	1814	2190 Kingsway	Vancouver
147.	BC	1815	1531 Johnston Rd	White Rock
148.	BC	1818	9056 - 152nd Street (KFC/TB)	Surrey

149.	BC	1819	602 Clarke Rd	Coquitlam
150.	BC	1820	13577 - 73rd Avenue (KFC/TB)	Surrey
151.	BC	1823	32843 South Fraser Way	Abbotsford
152.	BC	1824	795 East Broadway	Vancouver
153.	BC	1826	45843 Yale Road W.	Chilliwack
154.	BC	1827	6 - 8751 No. 1 Road	Richmond
155.	BC	1828	19971 - 64th Avenue (KFC/TB)	Langley
156.	BC	1832	45367 Luckakuck Way (KFC/TB)	Sardis
157.	BC	1835	20177 88th Avenue, R.R.# 15	Langley
158.	BC	1836	#208 - 10111 No. 3 Road	Richmond
159.	BC	1837	2677 Clearbrook Rd.	Clearbrook
160.	BC	1838	12121 - 72nd Avenue	Surrey
161.	BC	1839	Pinetree Village 1-2991 Loughead Hwy. (KFC/TB)	Coquitlam
162.	BC	1840	#101-8737 120 St. (KFC/TB)	Delta
163.	BC	1860	1555 Hillside Avenue	Victoria
164.	BC	1861	3140 Douglas Street	Victoria
165.	BC	1862	731 Goldstream Avenue	Victoria
166.	BC	1870	1897 Main Street (KFC/TB)	Penticton
167.	BC	1872	4102 Redford Street	Port Alberni
168.	BC	1874	3110 - 32nd Street	Vernon
169.	BC	1875	855 - 8th Street	North Kamloops
170.	BC	1876	902 Island Hwy.	Campbell River
171.	BC	1877	4750 Lakelse Avenue (KFC/TB)	Terrace
172.	BC	1882	230 N.E. Ross Street	Salmon Arm
173.	BC	1883	310 Oliver Street	Williams Lake

174.	BC	1886	520 Cranbrook Street	Cranbrook
175.	BC	1887	555 Notre Dame Dr (KFC/TB)	Kamloops
176.	BC	1888	520 Hwy. 33 West (KFC/TB)	Kelowna
177.	BC	1890	6896 Island Hwy. N. (KFC/TB)	North Nanaimo
178.	BC	1891	#3 - 3151 Lakeshore Rd	Kelowna
179.	ON	1909	SCARBOROUGH TOWN CENTRE #286 - 300 Borough Drive	Scarborough
180.	ON	1910	BRAMALEA CITY CENTRE 25 Peel Centre Dr.	Brampton
181.	ON	1918	SQUARE ONE 100 City Center Dr.	Mississauga
182.	ON	1919	DEVONSHIRE 3100 Howard Ave.	Windsor
183.	ON	1920	RIDEAU CENTER 50 Rideau St	Ottawa
184.	ON	1921	TORONTO EATON CENTRE 220 Yonge Street	Toronto
185.	ON	1926	DUFFERIN MALL 900 Dufferin Street	Toronto
186.	ON	1927	FAIRVIEW MALL 1800 Sheppard Ave. E.	North York
187.	ON	1931	SCOTIA PLAZA 40 King Street W., Box 526	Toronto
188.	ON	1932	YORKDALE PLAZA 3401 Dufferin St.	North York
189.	ON	1933	MARKVILLE UNIT 5000 Hwy 7 E. #261	Markham
190.	ON	1940	COLLEGE PARK 444 Yonge Street (KFC/TB)	Toronto
191.	ON	1943	YORK UNIVERSITY 4700 Keele St. (KFC/TB)	North York
192.	ON	1950	Shoppers World 499 Main St. Unit #56 (KFC/TB)	Brampton
193.	ON	1951	Promenade Mall, 1 Promenade Circle Units F113 & SC13 (KFC/TB)	Thornhill
194.	ON	4409	919 Industrial Avenue (3n1 - PH/TB/KFC) <6400>	Ottawa
195.	ON	4518	1 Richmond Street (PH/KFC)	Napanee
196.	ON	6307	730 Yonge Street (TB/KFC) (MALL)	Toronto
197.	ON	6311	1610 The Queensway (TB/KFC)	Etobicoke
198.	ON	6314	7028 Yonge Street (TB/KFC)	Thornhill

199.	ON	6315	230 Queen Street East (TB)	Brampton
200.	ON	6316	16599 Yonge Street (TB/KFC)	Newmarket
201.	ON	6317	900 Dufferin Rd. Building B (3n1 - TB/PH/KFC)	Toronto
202.	ON	6502	336 Front Street North (TB/KFC 1513)	Belleville
203.	ON	6504	595 Lansdowne Avenue (TB/KFC)	Peterborough
204.	ON	6901	DEVONSHIRE MALL 3100 Howard Ave. (TB) (MALL)	Windsor



**SCHEDULE "H"**  
**SALE APPROVAL ORDER**  
**(Attached)**

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE ●	)	●DAY, THE ●
	)	
JUSTICE ●	)	DAY OF MAY, 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")

**APPROVAL AND VESTING ORDER  
(Re Sale to Soul Restaurants Canada Inc.)**

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 approving the sale transaction (the "Soul Transaction") contemplated by the Amended and Restated Asset Purchase Agreement (the "Soul Agreement") between Priszm LP (the "Vendor"), Priszm Inc. and Soul Restaurants Canada Inc. (formerly 7716443 Canada Inc.) (the "Purchaser") dated May 6, 2011, appended to the Affidavit of Deborah Papernick sworn May ●, 2011 (the "May ● Affidavit") as Exhibit "●", approving certain related agreements, and vesting in the Purchaser the Vendor's right,

title and interest in and to the Purchased Assets, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the May ● Affidavit, the Second Report of FTI Consulting Canada Inc., in its capacity as the Court-appointed Monitor of the Prizm Entities (the "Monitor") and the Confidential Supplement thereto (the "Confidential Supplement"), and on hearing the submissions of counsel for the Prizm Entities, the Monitor, the Purchaser, Yum! Restaurants International (Canada) Company, Prudential Investment Management, Inc. [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:

1. THIS COURT ORDERS that any defined term used but not defined herein shall have the meaning ascribed to such term in the Soul Agreement.
2. THIS COURT ORDERS AND DECLARES that the Soul Transaction, the Soul Agreement, the Transition Services Agreement and the Occupation Agreement (as defined in and in the forms attached to the May ● Affidavit as Exhibits "●" and "●", respectively) are hereby approved. The Prizm Entities and the Monitor are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Soul Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "Monitor's Certificate"), all of the Vendor's right, title and interest in and to the Purchased Assets shall vest, without further instrument of transfer or assignment, absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (a) any encumbrances or charges created by the Amended and Restated Initial Order of the Honourable Madam Justice Mesbur dated April 29, 2011, or any subsequent charges that may be granted by the Court; (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), the *Civil Code of Québec*, and the *Personal Property Security Act* (British Columbia) or any other personal property registry system; and, for greater certainty, this Court orders that all of the encumbrances or charges affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that on Closing the Purchaser shall pay the Purchase Price to the Monitor (less the Deposit which has previously been paid to the Monitor). After receipt of the Purchase Price, the Monitor shall:

- (a) pay from the Purchase Price to Yum! Restaurants International (Canada) Company [\$7.3 million], in respect of pre-filing monetary obligations owed under the Franchise Agreement (as defined below) in connection with the assignment of the outlets to the Purchaser;
- (b) pay from the Purchase Price to Yum! Restaurants International (Canada) Company [\$2.2 million], in respect of unpaid post-filing continuing fees (exclusive of interest) accrued with respect to the Purchased Assets;
- (c) pay from the Purchase Price to the Purchaser or, at its direction, Bank of Montreal when due any refunds and other amounts referred to in paragraph 5; and
- (d) hold the remainder of the Purchase Price subject to this Order and further Order of this Court.

5. **THIS COURT ORDERS** that any refund of a portion of the Purchase Price to the Purchaser, or at its direction Bank of Montreal, pursuant to Section 8(8) of the Soul Agreement, any Current Assets Purchase Price Adjustment in favour of the Purchaser, and any reimbursement of Occupation Costs pursuant to Section 2 of the Occupation Agreement, shall be paid by the Monitor to the Purchaser or, at its direction, the Bank of Montreal from the Purchase Price being held by the Monitor pursuant to Section 4 hereof in priority to any other payment from such funds or any Claim (including any

Claim by a Chargee (as defined in the Amended and Restated Initial Order of the Honourable Mr. Justice Mesbur dated Friday, April 29, 2011)).

6. **THIS COURT ORDERS** that for purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets held by the Monitor, after payment in full of any refunds and other payments to the Purchaser (or, at its direction, Bank of Montreal) from the Purchase Price described in paragraph 5 hereof, shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate, all Claims, charges and encumbrances shall attach to the net proceeds from the sale of the Purchased Assets, subject to paragraph 5 hereof, with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

8. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Vendor and the Purchaser regarding fulfillment of conditions to closing under the Soul Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

9. **THIS COURT ORDERS** that the Prizm Entities and the Guarantors (as such term is defined and utilized in the Master Franchise Agreement effective November 10, 2003, including each of the separate and individual franchise agreements for each of the outlets being transferred to the Purchaser, in the form of the International Franchise Agreement attached to the Master Franchise Agreement, that the Franchisor and Prizm LP are deemed to have executed, as amended by the Master Franchise Agreement Amendment Agreement dated November 25, 2009 between Prizm LP and the Franchisor (the "Franchise Agreement")), including, without limitation, Prizm Fund, Prizm Canadian Operating Trust, Kit Inc., Prizm Brandz LP, any person holding 20% or more of the issued and outstanding units of Prizm Fund, John I. Bitove, and Scott's Restaurants Inc., and each of their respective present and former shareholders, unitholders, directors, and/or officers (collectively, the "Released Parties") are hereby released effective the date of the Closing from any and all demands, claims and liabilities with respect to the Purchased Assets under the Franchise Agreement whether existing or taking place on, prior to or after the date of the Closing, save and except for the obligation to pay any unpaid post-filing continuing fees (exclusive of interest) accrued with respect to the Purchased Assets.

10. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Vendor is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Vendor's records pertaining to the Vendor's past and current

employees in Ontario, British Columbia and Quebec. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Vendor.

11. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Vendor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Vendor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order and the obligations of the Vendor under the Soul Agreement, the Occupation Agreement and the Transition Services Agreement (including the potential obligation to refund any portion of the Purchase Price to the Purchaser pursuant to Section 8(8) of the Soul Agreement, the potential obligation to make the Current Asset Purchase Price Adjustment pursuant to Section 10(2) of the Soul Agreement, and the potential obligation to reimburse excess Occupation Costs pursuant to Section 2 of the Occupation Agreement), shall be binding on any trustee in bankruptcy that may be appointed in respect of the Vendor and shall not be void or voidable by creditors of the Vendor, nor shall any of them constitute nor be deemed to be a settlement, fraudulent



preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall any of them constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

12. **THIS COURT ORDERS AND DECLARES** that the Soul Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

13. **THIS COURT ORDERS AND DECLARES** that the Soul Transaction is exempt from any requirement under any applicable federal or provincial law to obtain unitholder or shareholder approval.

14. **THIS COURT ORDERS** that the Confidential Supplement be kept 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 these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further order of the Court.

15. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Vendor and its 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 Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

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Schedule "A"  
Form of Monitor's Certificate

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

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

(the "Applicants")

MONITOR'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Morawetz of the Ontario Superior Court of Justice (the "Court") dated March 31, 2011, FTI Consulting Canada Inc. was appointed as the monitor (the "Monitor") of, *inter alia*, Priszm Limited Partnership (the "Vendor").

B. Pursuant to an Order of the Court dated May ●, 2011, the Court approved the Amended and Restated Agreement of Purchase and Sale made as of May 13, 2011 (the "Soul Agreement") between the Vendor, Priszm Inc. and Soul Restaurants Canada Inc. (formerly 7716443 Canada Inc.) (the "Purchaser") and provided for the vesting in the Purchaser of the Vendor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate certifying (a) receipt of the Deposit and the

balance of the Purchase Price by the Monitor; and (b) receipt of confirmation from the Vendor and the Purchaser that the conditions to Closing as set out in section [15] of the Soul Agreement have been satisfied or waived by the Vendor and the Purchaser, as applicable.

C. Unless otherwise indicated herein, defined terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Soul Agreement.

**THE MONITOR CERTIFIES** the following:

1. The Monitor has received the Deposit and the balance of the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Soul Agreement;
2. The Monitor has received confirmation from the Vendor and the Purchaser that the conditions to Closing as set out in section 15 of the Soul Agreement have been satisfied or waived by the Vendor and the Purchaser, as applicable; and
3. This Certificate was delivered by the Monitor to the Purchaser at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**FTI Consulting Canada Inc., in its capacity  
as the Court-appointed Monitor of the  
Prizm Entities and not in its personal  
capacity**

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "I"**

**MATERIAL CONTRACTS**

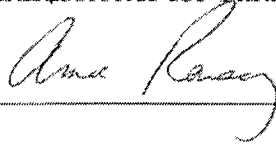
1. The Franchise Agreement for each Outlet.
2. The Master Franchise Agreement as it relates to the Outlets.
3. The supply agreement dated December 23, 2009 between the Vendor and Keybrand Foods Inc.

# TAB B

This is Exhibit "B"  
to the affidavit of Deborah Papernick,  
sworn before me on the 24<sup>th</sup> day  
of May, 2011

Anne Forrester Ramsay, a  
Commissioner etc., Province of Ontario,  
~~while a student at law.~~

Commissioner for Taking Affidavits



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**MASTER FRANCHISE AGREEMENT**

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between

**YUM! RESTAURANTS INTERNATIONAL  
(CANADA) LP**

and

**KIT LIMITED PARTNERSHIP**

Effective 10 November 2003



**MASTER FRANCHISE AGREEMENT** dated 10<sup>th</sup> day of November, 2003,

**BETWEEN**

**Yum! Restaurants International (Canada) LP** ("Yum! Canada" or "Franchisor"), 10 Carlson Court, Ste. 400, Etobicoke, Ontario, M9W 6L2

**AND**

**KIT Limited Partnership** ("Franchisee"), 101 Exchange Avenue, Vaughan, Ontario L4K 5R6

**BACKGROUND FACTS:**

Yum! Canada and/or its Affiliated Companies has developed a unique and valuable system for the preparation, marketing, and sale of certain quality food products under various trademarks, service marks, and trade names owned by them.

The System is a comprehensive restaurant system for the retailing of a limited menu of uniform and quality food products, emphasizing prompt and courteous service in a clean and wholesome atmosphere that is intended to be particularly attractive to families. The foundation and essence of the System is the adherence by franchisees to standards and policies providing for the uniform operation of all restaurants within the System including, but not limited to, serving designated food and beverage products; using only prescribed equipment and building layout and design; and strict adherence to designated food and beverage specifications and to prescribed standards of quality, service, and cleanliness in restaurant operations. Compliance by franchisees with the foregoing standards and policies in conjunction with the trademarks, service marks, and trade names provides the basis for the valuable goodwill and wide acceptance of the System. Moreover, Franchisee's performance of the obligations contained in the Master Franchise Agreement (the "Agreement") and Franchise Agreements, as well as its adherence to the tenets of the System, constitute the essence of the license provided for herein.

Yum! Canada is entitled to grant to third parties, and has agreed to grant to Franchisee, the right to use the System, the System Property, and the Marks on the terms and conditions of this Agreement and the Franchise Agreements.

**THE PARTIES AGREE:**

**1. DEFINITIONS**

1.1 In this Agreement, the following terms have the meanings set forth below:

"Effective Date" means the date written at the top of this page.

"Franchise Agreement" means each franchise agreement deemed to have been executed pursuant to Clause 2 of this Agreement in the form attached hereto as Attachment 1 for each Outlet specified in Schedule D to the Franchise Agreement attached hereto as Attachment 1.

"Outlets" means the restaurants located at the addresses specified in Schedule D to Attachment 1.

**2. FRANCHISE AGREEMENTS**

- 2.1 As of the Effective Date, Franchisor grants to Franchisee and Franchisee accepts 466 single-site franchises to operate the Outlets on the terms and conditions of the Franchise Agreement attached hereto as Attachment 1.
- 2.2 As of the Effective Date, Franchisor and Franchisee are deemed to have executed a separate and individual Franchise Agreement for each Outlet. Franchisor and Franchisee agree and acknowledge that each of them may, within its sole discretion, exercise any right, claim, or power under a Franchise Agreement separately and individually with respect to each Outlet. The Schedule B of the Franchise Agreement for each Outlet is deemed to include the respective terms for the Outlet Address, Concept, and Term specified in Schedule D to the Franchise Agreement attached hereto as Attachment 1.

**3. TERM AND TERMINATION**

- 3.1 Unless otherwise provided in this Clause 3, the term of this Agreement will continue until the expiration or termination of the last operative Franchise Agreement.
- 3.2 Without limiting Clause 15 of the Franchise Agreements, Franchisor is entitled to terminate this Agreement and/or the Franchise Agreements, either individually or collectively, by notice to Franchisee, effective upon receipt by Franchisee, in the event that:
  - (a) Franchisee or any Guarantor breaches Clause 1.3, 5.1, 8, 9, 13, or 14 of the Franchise Agreement, as applicable; or
  - (b) Franchisee breaches any term or condition of this Agreement or of any clause of the Franchise Agreement other than Clause 1.3, 5.1, 8, 9, 13, or 14 and, after notice by Franchisor, fails to cure the breach to Franchisor's satisfaction within the cure period stated in the notice, such cure period to reflect the nature of the breach.

**4. MISCELLANEOUS**

- 4.1 This Agreement will inure to the benefit of Franchisor and its respective successors and assigns and may be transferred or assigned by Franchisor to any party without the prior approval of Franchisee or the Guarantors upon notice from Franchisor. With effect from receipt by Franchisee of the Transfer Notice, Franchisor shall be released from all obligations of this Agreement and Franchisee shall have a new contract on the same terms as this Agreement with the relevant successor or assignee named in the Transfer Notice.

- 4.2 This Agreement, the Franchise Agreements, and any related documents executed by the parties contemporaneously with this Agreement constitute the entire agreement between the parties with respect to their subject matter and supersede all prior negotiations, agreements or understandings.
- 4.3 The terms and conditions of this Agreement may be changed only in writing signed by all parties.
- 4.4 This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario. Franchisors and Franchisee hereby submit to the jurisdiction of the courts in Ontario and agree that all disputes concerning, arising from, or related to this Agreement shall be submitted to and determined by the courts in Ontario
- 4.5 References to Attachments are to attachments to this Agreement and the Attachments form part of this Agreement.
- 4.6 Any notice or other communication required or permitted under this Agreement shall be in writing and properly addressed to the addressee at the address specified in this Agreement (or any other address notified by the addressee) and will be deemed received by the addressee on the earlier of the date of delivery, the date of transmission if sent by facsimile with receipt confirming completion of transmission, or three (3) days after the date of posting if sent by pre-paid security or registered post.
- 4.7 Franchisee is an independent contractor and is not, by virtue of this Agreement, an agent, representative, joint venturer, partner, or employee of Franchisor. Furthermore, no fiduciary relationship exists between Franchisee and Franchisor by virtue of this Agreement.
- 4.8 To the extent of any inconsistency between this Agreement and the Franchise Agreement, the terms of this Agreement shall prevail. In all other respects, the parties to the Franchise Agreement confirm and ratify and do not in any way limit, waive, or release, the provisions of the Franchise Agreement.

EXECUTED as an Agreement.

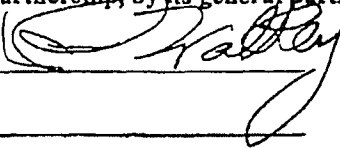
Yum! Restaurants International (Canada) LP  
by its general partner Yum! Brands Canada Management Holding, Inc.

By [Signature]:  \_\_\_\_\_

[Printed Name] \_\_\_\_\_

[Title] \_\_\_\_\_

KIT Limited Partnership, by its general partner KIT Inc.

By [Signature]:  \_\_\_\_\_

[Printed Name] \_\_\_\_\_

[Title] \_\_\_\_\_

**ATTACHMENT 1**



**Tricon**  
Restaurants International

# International Franchise Agreement

**GFP**  
Global Franchise Partnership



# International Franchise Agreement

AGREEMENT dated \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

**BETWEEN: THE FRANCHISOR REFERRED TO IN SCHEDULE B ("Franchisor")**

**AND: THE FRANCHISEE REFERRED TO IN SCHEDULE B ("Franchisee")**

#### BACKGROUND FACTS

Franchisor and/or its Affiliated Companies have developed a unique and valuable system for the preparation, marketing and sale of certain quality food products under various trademarks, service marks and trade names owned by them.

The System is a comprehensive restaurant system for the retailing of a limited menu of uniform and quality food products, emphasizing prompt and courteous service in a clean and wholesome atmosphere which is intended to be particularly attractive to families. The foundation and essence of the System is the adherence by franchisees to standards and policies providing for the uniform operation of all restaurants within the System including, but not limited to, serving designated food and beverage products; the use of only prescribed equipment and building layout and designs; and strict adherence to designated food and beverage specifications and to prescribed standards of quality, service and cleanliness in restaurant operations. Compliance by franchisees with the foregoing standards and policies in conjunction with the trademarks, service marks and trade names provides the basis for the valuable goodwill and wide acceptance of the System. Moreover, Franchisee's performance of the obligations contained in this Agreement and adherence to the tenets of the System constitute the essence of the license provided for herein.

Franchisor is entitled to grant to third parties, and has agreed to grant to Franchisee, the right to use the System, the System Property and the Marks on the terms and conditions of this Agreement.

In this Agreement, capitalized terms have the meanings specified in Schedule A. Site-specific information and financial terms are set forth in Schedule B, and contractual modifications and amendments are set forth in Schedule C.

#### THE PARTIES AGREE:

##### 1. GRANT OF FRANCHISE

- 1.1 Franchisor grants to Franchisee the right to use the System, the System Property and the Marks for the Term solely in connection with the conduct of the Business at the Outlet and subject to the terms and conditions of this Agreement.
- 1.2 At all times during the Term, Franchisee will use its best endeavors to develop the Business and to increase the Revenues.
- 1.3 Franchisee will not, without Franchisor's prior written approval:
  - (a) conduct all or any part of the Business at any location other than the Outlet; or
  - (b) sub-license to any other party the right to use, or otherwise permit or authorize any other party to use, the System, the System Property or the Marks or any part thereof.
- 1.4 No exclusive territory, protection or other right in the contiguous space, area or market of the Outlet is expressly or impliedly granted to Franchisee. Franchisor reserves the right to use, and to grant to other



parties the right to use, the Marks, the System and the System Property or any other marks, names or systems in connection with any product or service (including, without limitation, the Approved Products) in any manner or at any location other than the Outlet. Franchisee acknowledges that, as of the Date of Grant, Franchisor and its Affiliated Companies and franchisees operate Outlets conforming to the Concept and also operate other systems for the sale of food products and services which may be competitive with the System and may compete directly with the Business.

**2. INITIAL FEE AND CONTINUING FEE**

- 2.1 On or before the Date of Grant, Franchisee will pay the initial fee specified in Schedule B to Franchisor.
- 2.2 On or before each Due Date, Franchisee will pay the Continuing Fee to Franchisor. Each payment of the Continuing Fee will be accompanied by a statement of the Revenues for the relevant Accounting Period, in the form required by Franchisor from time to time.
- 2.3 Franchisee's payments pursuant to Clauses 2.1 and 2.2 are in consideration solely for the grant of rights in Clause 1.1 and not for Franchisor's performance of any specific obligations or services.

**3. MANUALS AND STANDARDS**

- 3.1 At all times during the Term, Franchisee must comply with all of the Standards and the Manuals and all applicable laws, regulations, rules, by-laws, orders and ordinances in its conduct of the Business. The Manuals are incorporated by reference into this Agreement. To the extent of any inconsistency between any provision of the Manuals and any provision of this Agreement, the provision of this Agreement will prevail.
- 3.2 Franchisor may at any time change any of the Standards or Manuals or introduce new Standards or Manuals by giving notice to Franchisee. Franchisor will specify in the notice a period, reflecting the nature of the change or introduction, within which the new Standards or Manuals must be implemented. Franchisee acknowledges and agrees that such changed or introduced Standards or Manuals will bind Franchisee upon receipt of Franchisor's notice as provided in Clause 22, and Franchisee will implement such changes or introductions within the period specified in the notice. In the event of any inconsistency between Franchisor's version and Franchisee's version of the Manuals, Franchisor's version will prevail.
- 3.3 In order to determine Franchisee's compliance with the Manuals and the terms and conditions of this Agreement, Franchisor and its agents or representatives will have the right at all times during opening hours to enter and inspect the Outlet without prior notice to Franchisee.
- 3.4 Franchisor will lend one copy of the Manuals to Franchisee, and Franchisee will not reproduce or part with possession of the Manuals without Franchisor's prior written approval. Franchisee will return all copies of the Manuals to Franchisor immediately upon the expiration or termination of this Agreement or upon Franchisor's request.

**4. UPGRADES**

Franchisor may, by notice to Franchisee, at any time require Franchisee to upgrade, modify, renovate or replace all or part of the Outlet or any of its fittings, fixtures or signage or any of the equipment, systems or inventory used in the Outlet, in order to procure compliance by Franchisee with the Standards and the Manuals. Franchisee acknowledges and agrees that such upgrades, modifications, renovations or replacements may require significant capital expenditures and/or periodic financial commitments by Franchisee. In its notice to Franchisee, Franchisor will specify a period, reflecting the nature of the upgrade, modification, renovation or replacement, within which the upgrade, modification, renovation or replacement must be implemented, and Franchisee will comply with the implementation period specified in the notice.

5. APPROVED PRODUCTS AND SUPPLIES

- 5.1 Franchisee will not prepare, market or sell any product or service other than the Approved Products or conduct any business other than the Business at the Outlet without Franchisor's prior written approval. Franchisor will from time to time notify Franchisee of the Approved Products and will specify those of the Approved Products which must be offered for sale at the Outlet as permanent menu items and at what times.
- 5.2 Franchisor may, by notice to Franchisee, at any time change or withdraw any Approved Product or add new Approved Products. Franchisee will implement such changes, withdrawals and additions within the period specified in the notice.
- 5.3 Franchisee will purchase the supplies, materials, equipment and services used in the Business exclusively from suppliers and using distributors who have been approved in writing by Franchisor prior to the time of supply and distribution in accordance with the approval procedures in the Manuals. Franchisee will not have any claim or action against Franchisor in connection with any non-delivery, delayed delivery or non-conforming delivery of any supplier or distributor whether or not approved by Franchisor.

6. ADVERTISING

- 6.1 Franchisee will not execute or conduct any advertising or promotional activity in relation to the Business or the System without Franchisor's prior written approval.
- 6.2 Franchisee will participate in such national and regional advertising, promotions, research and tests as Franchisor from time to time requires, and Franchisee will not have any claim or action against Franchisor in connection with the level of success of any such advertising, marketing, promotion, research or test.
- 6.3 Franchisee will spend, in the manner directed by Franchisor in writing from time to time, an amount not less than the Advertising Contribution on advertising, promoting, marketing and researching the products and services of the Business and the System. Franchisor may at any time during the Term direct Franchisee:
- (a) to pay all or part of the Advertising Contribution to a national or regional co-operative advertising/marketing fund specified by Franchisor; or
  - (b) to spend all or part of the Advertising Contribution on such local or regional advertising, promotional and research expenditures as are approved by Franchisor, in accordance with the requirements and guidelines set out in the Manuals; provided that if Franchisee fails to spend the full amount as directed by Franchisor, Franchisee will pay the unspent amount to Franchisor within the period specified in a written demand from Franchisor, and upon receipt of the unspent amount, Franchisor either will contribute the amount to an applicable national or regional co-operative advertising/marketing fund or will spend the amount on national or regional advertising, promotions or research conducted by Franchisor in its discretion; or
  - (c) without limiting the above, to pay all or part of the Advertising Contribution to Franchisor, in which event Franchisor will apply the Advertising Contribution to the costs of national or regional advertising, promotions and/or research conducted by Franchisor in its discretion.
- 6.4 Any amount paid by Franchisee to a national or regional co-operative advertising/marketing fund or to Franchisor pursuant to Clause 6.3 will not be required to be spent for the specific benefit, either direct or indirect, of Franchisee or the Business and no express or implied trust will be created in respect of such amount.

7. TRAINING

Franchisor will provide, or Franchisor may certify Franchisee to provide, and Franchisee, the Principal Operator and all of Franchisee's employees must undertake, such initial and ongoing training and assistance as Franchisor in its discretion considers appropriate. Franchisee will bear the full cost of attendance by Franchisee, the Principal Operator and Franchisee's employees at training programs. Franchisee will ensure that all store management working at the Outlet have been certified by Franchisor as having successfully completed Franchisor's current management training programs from time to time.

8. MARKS AND SYSTEM PROPERTY

- 8.1 The Marks, the System Property and the goodwill associated with them are the exclusive property of Franchisor and/or its Affiliated Companies. Franchisee will acquire no right, interest or benefit in or to them other than the rights of use granted under this Agreement. All accretions in the goodwill associated with the Marks and the System Property resulting from Franchisee's use thereof are solely for the benefit of Franchisor and its Affiliated Companies. Upon the expiration or termination of this Agreement for any reason, Franchisee will have no claim whatsoever against Franchisor for compensation for any goodwill associated with the Marks and the System Property.
- 8.2 Franchisee will use the Marks only in such form and manner as is specifically approved by Franchisor, and Franchisee will follow Franchisor's instructions regarding proper usage of the Marks in all respects. Franchisor may, by notice to Franchisee, at any time change or withdraw any of the Marks or designate new Marks, and Franchisee will implement such changes, withdrawals and additions within the period specified in the notice.
- 8.3 Franchisee will not use in the operation of the Business any trademarks, service marks, trade names or indicia other than the Marks without Franchisor's prior written approval. Franchisee will not use, register or apply to register any trademarks, service marks, trade names or indicia similar to the Marks or that in any way suggest an association or affiliation with the System.
- 8.4 Franchisee will do nothing to prejudice, damage or contest the validity of the Marks, the System Property, the goodwill associated with them or the ownership of them by Franchisor or its Affiliated Companies. Franchisee will cooperate fully with Franchisor in the protection and defense of the Marks and the System Property, which will be undertaken solely by Franchisor. Franchisee will promptly notify Franchisor of any actual or potential infringements of, or claims or actions brought by third parties in respect of, the Marks or the System Property. Franchisor will take all appropriate actions to protect and defend the Marks and the System Property and will fund the costs of such actions, except where such actions are necessitated or contributed to by the fault or negligence of Franchisee.
- 8.5 Any improvements to, and inventions and products derived from the Marks, the System Property or the Business during the Term, including those attributable to Franchisee, will be the exclusive property of Franchisor or its Affiliated Companies and will be promptly disclosed by Franchisee to Franchisor. Franchisee hereby assigns to Franchisor all present and future right, title and interest throughout the world in and to any such improvements, inventions and products. Franchisee will take all actions and execute all documents required by Franchisor for this purpose.
- 8.6 Where appropriate, Franchisor will apply to enter Franchisee as a registered or permitted user of the Marks with any governmental entity; and Franchisee agrees to join with Franchisor in any such application. Franchisee acknowledges that upon termination or expiration of this Agreement, Franchisor may unilaterally cancel such entry.

## 9. CONFIDENTIALITY

Franchisee will at all times during and after the Term keep confidential and not disclose to any person, other than with Franchisor's prior written approval, the terms of this Agreement and any related agreements, the Standards, the Manuals, all other materials containing or referring to the System Property and all other information concerning the System, the System Property, the Approved Products or Franchisor's business and affairs which may come to Franchisee by any means during the Term. Franchisee may disclose the Manuals to Franchisee's employees, on a need-to-know basis, only for the purposes of the Business and provided that Franchisee at all times uses best endeavors to ensure that Franchisee's employees retain in confidence the Manuals and any other materials or information disclosed to them with Franchisor's approval. This obligation of confidentiality does not apply in respect of information in the public domain or previously known to Franchisee otherwise than by breach of any obligation of confidentiality, or disclosure required by law or an order of any court or tribunal. Franchisee acknowledges that any breach of this obligation of confidentiality may cause substantial irreparable damage to Franchisor and that, in addition to damages or other monetary compensation, injunctive or other equitable or immediate relief may be appropriate.

## 10. ACCOUNTING RECORDS

- 10.1 Franchisee will establish and maintain an accounting system incorporating methods, procedures, records and equipment approved by Franchisor and in compliance with the Manuals.
- 10.2 Franchisee will retain all records relating to the Business for the period required by the relevant tax authorities and Franchisor and its agents or representatives will have the right at any reasonable time to inspect and audit the records wherever they are located. Franchisee will fully cooperate and will instruct its employees, agents or representatives to fully cooperate with Franchisor and its agents or representatives during such inspections and audits. If any inspection or audit discloses a deficiency in Franchisee's payment of any amount payable or required to be spent by Franchisee pursuant to this Agreement, Franchisee will immediately pay to Franchisor the deficiency plus late payment interest pursuant to Clause 11.2. If the deficiency is equal to or greater than 2% of the correct amount, Franchisee will also immediately pay to Franchisor all of the costs incurred by Franchisor in the inspection or audit.

## 11. PAYMENTS BY FRANCHISEE

- 11.1 Franchisee will pay all amounts due to Franchisor pursuant to this Agreement:
- (a) in the currency specified in Schedule B or such other currency as Franchisor notifies Franchisee from time to time using, where applicable, the exchange rate for conversion to the specified currency which is posted on the day before the due date for payment by such bank as is specified by Franchisor from time to time;
  - (b) into the bank account specified in Schedule B or in such other manner as Franchisor notifies Franchisee from time to time; and
  - (c) without any deduction or set-off and free of any taxes payable in respect of such payments, other than as required by law.
- 11.2 Without limiting Franchisor's right to terminate this Agreement pursuant to Clause 15, in the event that any amount is not paid by Franchisee to Franchisor when due:
- (a) such amount will bear late payment interest calculated on a daily basis from the due date for payment at the rate specified in Schedule B, and this interest will continue to apply after any judgment; and

(b) without limiting the foregoing, Franchisor may apply any amount or credit owed by Franchisor to Franchisee towards satisfaction of the outstanding amount due from Franchisee.

- 11.3 Franchisor reserves the right to apply payments from Franchisee in any manner and to any indebtedness owed to Franchisor as Franchisor may deem appropriate.
- 11.4 Franchisee will pay promptly when due all taxes, duties, charges and levies payable in respect of the Business and all debts and other financial obligations incurred in the operation of the Business, including, without limitation, all obligations to suppliers.

## 12. INSURANCE, INDEMNITY AND GUARANTEE

- 12.1 At all times during the Term, Franchisee will at its cost maintain the insurances prescribed in the Manuals. Franchisor must be named as an additional insured party on the policies of insurance. Franchisee will on demand deliver to Franchisor certificates of insurance and will not commit any act or omission which may render the insurances void or voidable.
- 12.2 Franchisee will indemnify and keep indemnified Franchisor, its Affiliated Companies and their agents, employees, directors, successors and assigns from and against any and all claims, liabilities, losses, costs and damages (including legal costs and expenses) arising directly or indirectly in connection with or related to Franchisee's conduct of the Business. Franchisor's exercise of any right pursuant to this Agreement (including, without limitation, any exercise of any power of attorney granted by Franchisee to Franchisor) or any act or omission by any agent, representative, contractor, licensee or invitee of Franchisee, other than where any such claim, liability, loss, cost or damage arises solely as a result of Franchisor's fault or negligence.
- 12.3 As a precondition to the grant of rights pursuant to Clause 1.1, Franchisee will procure the execution by the Guarantors of a guarantee of Franchisee's obligations and liabilities under this Agreement, in the form required by Franchisor and including such covenants by the Guarantors regarding the terms and conditions of this Agreement as Franchisor may require.

## 13. PROTECTION OF SYSTEM PROPERTY AND GOODWILL OF SYSTEM

- 13.1 Franchisee covenants that, during the Term, neither Franchisee nor any Affiliated Company of Franchisee will directly or indirectly in any capacity, whether on its own account or as a member, shareholder, director, employee, agent, partner, joint venturer, advisor, consultant or lender, have any interest in, be engaged in or perform any services for any business within the In-Term area specified in Schedule B involving the wholesale or retail preparation, marketing or sale of any food products without Franchisor's prior written approval, provided that Franchisor will not unreasonably withhold its approval unless one of the following categories of products individually constitutes more than 20% of the food products sold in the business:

- (a) pizza products; or
- (b) pizza and pasta products (collectively); or
- (c) ready-to-eat chicken products; or
- (d) Mexican food products; or
- (e) beef burger products.

13.2 Franchisee covenants that, for the period specified in Schedule B following the expiration, termination or transfer of this Agreement, neither Franchisee nor any Affiliated Company of Franchisee will directly or indirectly in any capacity, whether on its own account or as a member, shareholder, director, employee, agent, partner, joint venturer, advisor, consultant or lender, have any interest in, be engaged in or perform any services for any business within the post-Term area specified in Schedule B involving the preparation, marketing or sale of products similar to the food products sold in the Business under the Marks.

14. TRANSFERS AND CHARGES

14.1 Franchisee will not charge, pledge or otherwise create any encumbrance, security interest or lien in respect of any interest in or right under this Agreement. Franchisee will not charge, pledge or otherwise create any encumbrance, security interest or lien in respect of any other interest in or other asset of the Business without Franchisor's prior written approval.

14.2 Franchisee will not sell, transfer or gift the Business or this Agreement or any interest in this Agreement without first obtaining Franchisor's written approval of the proposed transferee and then complying with all of Franchisor's transfer procedures specified in the Manuals, including, without limitation:

- (a) in the case of transfers to parties *other than* a spouse, daughter or son of Franchisee (or an entity wholly owned or controlled by such spouse, daughter or son), paying to Franchisor the transfer fee specified in Schedule B and the costs and expenses incurred by Franchisor in connection with the transfer and all accrued monetary obligations owed by Franchisee to Franchisor;
- (b) in the case of transfers to a spouse, daughter or son of Franchisee (or an entity wholly owned or controlled by such spouse, daughter or son), paying to Franchisor the transfer fee for family members specified in Schedule B and the costs and expenses incurred by Franchisor in connection with the transfer and all accrued monetary obligations owed by Franchisee to Franchisor;
- (c) executing a deed of release in the form required by Franchisor; and
- (d) procuring the execution by the transferee, and by such guarantors as Franchisor requires, of such guarantee and other documentation as Franchisor requires.

14.3 Franchisee will not, directly or indirectly:

- (a) permit any sale, transfer, gift, charge or pledge by any party of any interest or share in Franchisee;
- (b) issue any new share in Franchisee to any party who is not a shareholder at the Date of Grant; or
- (c) permit any reconstruction, reorganization, amalgamation or other material change in the structure or financial condition of Franchisee,

without first obtaining Franchisor's written approval and, in the event of a change in the direct or indirect control of Franchisee, then complying with all of Franchisor's transfer procedures specified in the Manuals, including, without limitation:

- (i) in the case of transfers of the controlling interest or shareholding to parties *other than* a spouse, daughter or son of the controlling shareholder (or an entity wholly owned or controlled by such spouse, daughter or son) of Franchisee, paying to Franchisor the transfer fee specified in Schedule B and the costs and expenses incurred by Franchisor in connection with the transfer;
- (ii) in the case of a transfer of the controlling interest or shareholding to the spouse, daughter or son of the controlling shareholder (or an entity wholly owned or controlled by such spouse, daughter or son) of the Franchisee, paying to Franchisor the transfer fee for family members specified in Schedule B and the costs and expenses incurred by Franchisor in connection with the transfer; and

(iii) procuring the execution by the former and new controlling shareholders of such guarantee and deed of release documentation as Franchisor requires.

14.4 If Franchisee proposes any sale or transfer of the Business, this Agreement, any interest in this Agreement or any interest or shareholding in Franchisee, Franchisee will notify Franchisor of the agreed terms and conditions, and Franchisor will have the right itself to elect to proceed, or to nominate a third party who will proceed, as the purchaser/transferee with the sale or transfer at the same purchase price and otherwise on substantially the same terms and conditions within 60 days of receipt of Franchisee's notice. If Franchisor exercises this right, Franchisee will proceed in good faith to complete the sale or transfer to Franchisor or the nominated third party as soon as practicable. If Franchisor does not exercise this right, Franchisee will apply to Franchisor for written approval of the proposed transferee pursuant to Clauses 14.2 and 14.3. If Franchisee does not complete the sale or transfer to the proposed transferee within 60 days of receipt of notice from Franchisor declining to exercise this right, then Franchisor's right of first refusal under this Clause will be relinquished.

## 15. DEFAULT AND TERMINATION

15.1 Franchisor may terminate this Agreement by notice to Franchisee effective upon receipt by Franchisee of the notice, and/or adopt any of the remedies specified in Clause 15.2, if any of the following events occur:

- (a) Franchisee is unable to pay its debts as and when they become due or becomes insolvent or a liquidator, receiver, manager, administrator or trustee in bankruptcy (or local equivalent) of Franchisee or the Business is appointed, whether provisionally or finally, or an application or order for the winding up of Franchisee is made or Franchisee enters into any composition or scheme of arrangement;
- (b) Franchisee or any Guarantor breaches any of the terms and conditions of Clauses 1.3, 5.1, 8, 9, 13 and 14;
- (c) subject to any cure period enjoyed by the Guarantors pursuant to Clause 15.1(i), any Guarantor breaches any term or condition of the guarantee referred to in Clause 12.3;
- (d) Franchisee or any Guarantor commits any crime, offence or act which in Franchisor's reasonable judgment is likely to adversely affect the goodwill of the Business, the Marks, the System or the System Property;
- (e) Franchisee knowingly or negligently maintains false records in respect of the Business or submits any false report to Franchisor;
- (f) Franchisee abandons or ceases to operate the Business for more than 3 consecutive days without Franchisor's prior written approval, provided that such approval will not be unreasonably withheld by Franchisor where the abandonment or cessation is caused by war, civil commotion, fire, flood, earthquake, act of God, industrial action or unrest or any other cause beyond Franchisee's control which Franchisee has used best endeavors to prevent and remedy;
- (g) Franchisee takes any action to prejudice, damage or contest the validity of the Marks or the System Property, the goodwill associated with them or the ownership of them by Franchisor or its Affiliated Companies;
- (h) any other agreement between Franchisor and Franchisee (or between their respective Affiliated Companies or between one party and an Affiliated Company of the other party) is terminated;
- (i) Franchisor notifies Franchisee that Franchisee or any Guarantor has breached any term or condition of this Agreement (other than Clauses 1.3, 5.1, 8, 9, 13 and 14) or any other agreement between

Franchisor and Franchisee and/or any Guarantor (or their respective Affiliated Companies) relating to the Business and Franchisee or the Guarantor does not fully cure the breach to Franchisor's satisfaction within the cure period which is specified by Franchisor in the notice as reflecting the nature of the breach; or

- (j) Franchisee or any Guarantor breaches any term or condition of this Agreement (other than Clauses 1.3, 5.1, 8, 9, 13 and 14) or any other agreement between Franchisor and Franchisee and/or any Guarantor (or their respective Affiliated Companies) relating to the Business in circumstances where, in the preceding 24-month period, Franchisee has been sent 2 notices pursuant to Clause 15.1(i), whether or not Franchisee or the relevant Guarantor cured the prior breaches to Franchisor's satisfaction.

15.2 If any event specified in Clause 15.1 occurs, Franchisor may, in addition and without prejudice to its rights under Clause 15.1:

- (a) terminate, by notice to Franchisee, Franchisee's right under Clause 18 to renew the franchise;
- (b) terminate any development or option rights in respect of any system or concept granted to Franchisee pursuant to any other agreement between Franchisee and Franchisor (or their respective Affiliated Companies);
- (c) itself take whatever actions it considers necessary to cure the breach at Franchisee's cost (including, without limitation, administrative costs), such cost to be payable by Franchisee to Franchisor within the period specified in a written demand from Franchisor; or
- (d) limit or withhold the supply of any products, supplies, materials, equipment or services supplied to Franchisee by Franchisor or its Affiliated Companies.

15.3 Without limiting Clause 15.2, if any event specified in Clause 15.1 occurs, Franchisor may, in addition and without prejudice to its rights under Clause 15.1, take control of the Business for such period as Franchisor considers appropriate, for the purpose of rectifying any breach of this Agreement and retraining Franchisee and/or Franchisee's employees at Franchisee's cost, such cost to be payable by Franchisee within the period specified in a written demand from Franchisor. During this period, Franchisee and its employees must continue to attend the Outlet to perform their responsibilities in the conduct of the Business, but subject to the directions of Franchisor. Any obligations, liabilities or costs incurred in respect of the Business during this period will be Franchisee's responsibility; and the indemnity in Clause 12.2 will apply. Franchisee agrees that the provisions of Clause 17 will also apply in respect of any entry into the Outlet by Franchisor pursuant to this clause.

15.4 Franchisor's exercise of any of its rights under this Clause 15 will be in addition to and not in limitation of any other rights and remedies it may have in the event of any breach or default by Franchisee.

## 16. CONSEQUENCES OF TERMINATION

16.1 Immediately upon the expiration or termination of this Agreement, Franchisee will:

- (a) pay all amounts owing to Franchisor;
- (b) discontinue all use of the Marks and the System Property and otherwise cease holding out any affiliation or association with Franchisor or the System unless authorized pursuant to another written agreement with Franchisor;
- (c) dispose of all materials bearing the Marks and all proprietary supplies in accordance with Franchisor's instructions; and



(d) if Franchisor so requires, de-identify the Outlet in accordance with Franchisor's instructions.

- 16.2 If Franchisee fails to fulfill any of its obligations under Clause 16.1, Franchisor may itself take whatever actions it considers necessary to fulfill those obligations and invoice Franchisee for the full cost of such actions, such invoice to be payable within 7 days.
- 16.3 For 60 days from the termination of this Agreement, Franchisor will have the option to purchase, or to nominate a third party to purchase, any of the supplies held by Franchisee at cost price and any of the equipment or signage at the Outlet at a price equal to book value less depreciation or as otherwise agreed, and free of any charges or other security interests.
- 16.4 The rights and obligations under Clauses 8, 9, 10.2, 11, 12.2, 13.2, 15.2(c), and 16 will survive the expiration or termination of this Agreement.

## 17. RIGHTS OF ENTRY

- 17.1 Notwithstanding anything to the contrary in Clause 3.3, Franchisee expressly authorizes Franchisor and its agents or representatives to enter the Outlet, without prior notice to Franchisee, for the purposes of Clauses 10.2, 15.2(c) and 16.2.
- 17.2 Franchisee hereby waives, and releases Franchisor from, any rights, actions or claims which Franchisee may at any time have against Franchisor in connection with Franchisor's entry into the Outlet for the purposes of this Agreement, provided that Franchisor and its agents and representatives use all reasonable care in exercising such rights of entry.
- 17.3 Franchisee will execute any documents required by Franchisor in connection with Franchisor's entry into the Outlet and use its best endeavors to procure any consent required from any third party in connection with Franchisor's entry into the Outlet.

## 18. RENEWAL

If the conditions set forth below are satisfied upon the expiration of the Term, Franchisee shall have the right to renew this Agreement once, upon the identical contractual and financial terms set forth herein (except this Clause 18), for one renewal term specified in Schedule B:

- (a) Franchisee requests the renewal in writing no more than 18 months and no less than 12 months prior to the expiration of the Term;
- (b) Franchisee satisfies Franchisor's operational and other renewal criteria specified in Schedule B;
- (c) Franchisee's right to renew the franchise has not been terminated under Clause 15.2(a);
- (d) Franchisee is not, at the expiration of the Term, in breach of any term or condition of this Agreement or any other agreement between Franchisor and Franchisee (or their respective Affiliated Companies);
- (e) Franchisee timely and fully has paid all amounts due to Franchisor pursuant to this Agreement during the 12 months preceding the expiration of the Term;
- (f) No Guarantor or Affiliated Company of Franchisee is, at the expiration of the Term, in violation of Clauses 8, 9, 13 or 14;
- (g) Franchisee upgrades the Outlet to Franchisor's then current Standards for new outlets prior to the expiration of the Term;

- (h) Franchisee pays the renewal fee specified in Schedule B to Franchisor at least 90 days prior to the expiration of the Term;
- (i) Franchisee obtains an extension of the lease for the Outlet, if applicable, for the period of the renewal term; and
- (j) Franchisee is in compliance with and obtains all necessary governmental approvals and documentation for such renewal.

If Franchisee timely and fully satisfies each of the above conditions prior to and upon expiration of the Term, Franchisor will memorialize the renewal by transmitting to Franchisee a Notice of Renewal. Franchisee's right to renew is exercisable only once, however, and this Clause 18 shall be excluded from and of no effect during any renewal term.

#### 19. DISPUTE RESOLUTION

- 19.1 Franchisor and Franchisee will endeavor to resolve by mutual negotiation any dispute arising between them in connection with this Agreement.
- 19.2 If Franchisor and Franchisee fail to resolve any dispute by mutual negotiation, the parties may refer the dispute to a mutually agreed mediator for non-binding mediation. The parties will bear the costs of any mediation equally.
- 19.3 Such dispute resolution procedures will not in any way prejudice or limit Franchisor's ability to exercise its rights under Clause 15 at any time, including, without limitation, Franchisor's rights to apply for any order, judgment or other form of relief in any court or tribunal.

#### 20. PRINCIPAL OPERATOR

Franchisee hereby appoints the Principal Operator specified in Schedule B to be primarily responsible for the management of the Business and to transact with Franchisor, on behalf of Franchisee, in relation to all matters arising under this Agreement. Franchisee acknowledges that Franchisor will deal with the Principal Operator on the basis that the Principal Operator will have the authority to transact with Franchisor on behalf of and in the name of Franchisee. Franchisee may not change the Principal Operator without prior notice to Franchisor.

#### 21. EMPLOYEE TRANSFERS

During the Term, Franchisee will not, without Franchisor's prior written approval, directly or indirectly employ or seek to employ any employees at or above the grade of manager who at the time is, or any time during the prior six (6) months was, employed by Franchisor or any other franchisee of Franchisor.

#### 22. NOTICES

Any notice or other communication required or permitted under this Agreement will be in writing and properly addressed to the addressee at the address specified in Schedule B of this Agreement (or any other address notified by the addressee) and will be deemed received by the addressee on the earlier of the date of delivery, the date of transmission if sent by facsimile with receipt confirming completion of transmission or, if sent by pre-paid security or registered post, the deemed postal receipt date specified in Schedule B.

### 23. MISCELLANEOUS

- 23.1 This Agreement constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior negotiations, agreements or understandings.
- 23.2 Franchisee is an independent contractor and is not an agent, representative, joint venturer, partner or employee of Franchisor. No fiduciary relationship exists between Franchisor and Franchisee.
- 23.3 This Agreement will inure to the benefit of Franchisor, its successors and assigns and may be transferred by Franchisor to any party without Franchisee's prior approval upon notice to Franchisee. With effect from receipt by Franchisee of such notice, Franchisor is released from all obligations of this Agreement, and Franchisee will have a new contract on the same terms as this Agreement with the transferee, successor or assignee named in the notice.
- 23.4 The delay or failure of any party to exercise any right or remedy pursuant to this Agreement will not operate as a waiver of the right or remedy and a waiver of any particular breach will not be a waiver of any other breach. All rights and remedies under this Agreement are cumulative and the exercise of one right or remedy will not limit the exercise of any other right or remedy.
- 23.5 If any part of this Agreement is held to be void, invalid or otherwise unenforceable, Franchisor may elect either to modify the void, invalid or unenforceable part to the extent necessary to render it legal, valid and enforceable or to sever the void, invalid or unenforceable part, in which event the remainder of this Agreement will continue in full force and effect.
- 23.6 The terms and conditions of this Agreement may be changed only in writing signed by both parties. Notwithstanding the above, Franchisee acknowledges and agrees that Franchisor may change the Standards and the Manuals from time to time pursuant to Clause 3.2 upon notice to Franchisee.
- 23.7 This Agreement will be governed by and construed in accordance with the law of the territory specified in Schedule B and the parties agree to submit to the non-exclusive jurisdiction of the courts of that territory:
- 23.8 Franchisee will pay to Franchisor all reasonable legal expenses incurred by Franchisor in connection with this Agreement, including, without limitation, any stamp duty and any expenses incurred in connection with the lawful enforcement of this Agreement, but excluding Franchisor's internal legal costs in the preparation of this Agreement.
- 23.9 This Agreement is executed in English. A local language translation may be attached, which the parties intend to be identical to the English text. However, if any dispute arises as to the interpretation of the language of this Agreement, the English text will govern unless otherwise prohibited under the law of the territory specified in Schedule B.
- 23.10 In the interpretation of this Agreement, unless the context indicates a contrary intention:
- (a) the obligations of more than one party will be joint and several;
  - (b) words denoting the singular include the plural and vice-versa and words denoting any gender include all genders;
  - (c) headings are for convenience only and do not affect interpretation;
  - (d) references to Clauses and Schedules are to clauses and schedules of this Agreement and the Schedules

form part of this Agreement; and

(c) this Agreement may be executed in any number of counterparts, each of which will be deemed an original but which together will constitute one instrument.

23.11 The terms and conditions set out in the Schedules are incorporated into and form part of this Agreement. In the event of any inconsistency between any provision of the Schedules and any other provision of this Agreement, the provisions of the Schedules will prevail.

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**FRANCHISEE'S REPRESENTATION**

Franchisee represents to Franchisor that:

- (a) Franchisee has reviewed this Agreement with the assistance and advice of independent legal counsel and understands and accepts the terms and conditions of this Agreement;
- (b) Franchisee has relied upon its own investigations and judgment in entering this Agreement, after receiving legal and financial advice, and no inducements, representations or warranties, other than those expressly set forth in this Agreement, have been given in respect of the System, the Business or this Agreement; and
- (c) Franchisee acknowledges that the establishment and operation of the Business will involve significant financial risks and that the success of the Business will depend upon the skills and financial capacity of Franchisee and also upon changing economic and market conditions and that such risks, skills and conditions are not in any way guaranteed or underwritten by Franchisor.

**EXECUTED AS AN AGREEMENT**

SIGNED FOR AND ON BEHALF OF FRANCHISOR

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SIGNED FOR AND ON BEHALF OF FRANCHISEE

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SCHEDULE A  
DEFINITIONS

**Accounting Period** means any one of the periods making up Franchisor's financial year.

**Advertising Contribution** means the percentage of Revenues specified in Schedule B.

**Affiliated Companies** means any companies which are part of one or more ownership structures ultimately controlled by a common parent corporation or common shareholders.

**Approved Products** means the products from time to time approved by Franchisor for sale in the Business.

**Business** means the business of preparing, marketing and selling the Approved Products under the Marks at the Outlet pursuant to this Agreement.

**Concept** means the concept franchised to Franchisee pursuant to this Agreement and specified in Schedule B.

**Continuing Fee** means the percentage of Revenues specified in Schedule B.

**Date of Grant** means the date specified in Schedule B.

**Due Date** means the date specified in Schedule B.

**Guarantors** means the guarantors specified in Schedule B and such other guarantors as Franchisor requires in connection with any approved transfer of any interest or share in Franchisee.

**Manuals** means the manuals, notices and correspondence published or issued from time to time by Franchisor in any form, containing the Standards and other requirements, rules, procedures and guidelines relating to the System.

**Marks** mean the trademarks, service marks, trade names and other similar rights owned by Franchisor or its Affiliated Companies and designated by Franchisor from time to time for use in the Business.

**Outlet** means the outlet conforming to the Concept at the address specified in Schedule B.

**Principal Operator** means the principal operator appointed by Franchisee pursuant to Clause 20.

**Revenues** means all gross receipts received by Franchisee as payment for the Approved Products and for all other goods and services sold at or from the Outlet or the Business and all service fees but excludes sales or other tax receipts required by law to be remitted, and in fact remitted by Franchisee, to any government authority and no adjustment for cash shortages from cash registers will be made.

**Standards** means the standards, specifications and other requirements of the System as determined, changed, or added to by Franchisor from time to time, including, without limitation, the standards, specifications and other requirements related to the preparation, marketing and sale of the Approved Products, customer service procedures, the design, decor and fit-out of the Outlet, the equipment at the Outlet, and the content, quality and use of advertising and promotional materials.

**System** means the system for the preparation, marketing and sale of food products used in operating the Concept.

**System Property** means the contents of the Manuals and all other know how, information, specifications, systems and data used by Franchisor in or in respect of the System, including, without limitation, trade secrets, copyrights, designs, patents and other intellectual property.

**Term** means the period specified in Schedule B.

**Tricon**  
Restaurants International

**SCHEDULE B  
INFORMATION SCHEDULE**

**THIS IS SCHEDULE B REFERRED TO IN THE FRANCHISE AGREEMENT  
BETWEEN FRANCHISOR AND FRANCHISEE DATED NOVEMBER 10, 2003.**

<b>Franchisor:</b>	Yum! Restaurants International (Canada) LP
<b>Franchisor Address:</b>	10 Carlson Court, Ste. 400 Etobicoke, ON M9W 6L2
<b>Franchisee:</b>	KIT Limited Partnership
<b>Franchisee Address:</b>	101 Exchange Avenue Vaughan, Ontario L4K 5R6
<b>Advertising Contribution:</b>	5% of Revenues
<b>Bank:</b> (Clause 11.1)	The Royal Bank of Canada
<b>Bank Account:</b> (Clause 11.1)	Bank #003, Transit #1032, Account #113-237-2
<b>Concept:</b>	See Schedule D
<b>Continuing Fee:</b>	6% of Revenues
<b>Currency:</b> (Clause 11.1)	Canadian Dollars (unless otherwise specified)
<b>Date of Grant:</b>	November 10, 2003
<b>Due Date:</b>	10 days after each Franchisor Accounting Period and delivered to Franchisor
<b>Governing Law Territory</b> (Clause 23.7)	Province of Ontario and the federal laws of Canada applicable therein
<b>Guarantors:</b>	The Fund The Trust KIT GP Priszm Brandz LP  Any Person holding from time to time 20% or more of the issued and outstanding units of the Fund (or securities.



exchangeable, directly or indirectly, for units of the Fund) on a non-fully diluted basis

John I. Bitove

Scott's Restaurants Inc.

<b>In-Term Restraint Area:</b> (Clause 13.1)	World-wide
<b>Initial Fee:</b> (Clause 2.1)	A sum in Canadian dollars equivalent to U.S.\$37,600.00 for each KFC Concept Outlet and a sum in Canadian dollars equivalent to U.S.\$56,400.00 for each Multibrand Concept Outlet.
<b>Interest Rate:</b> (Clause 11.2)	18% per annum calculated and paid monthly
<b>Outlet Address:</b>	See Schedule D
<b>Post-Term Restraint Area:</b> (Clause 13.2)	Canada
<b>Post-Term Restraint Period:</b> (Clause 13.2)	18 months
<b>Postal Receipt Date:</b> (Clause 22)	3 days after the date of posting
<b>Principal Operator:</b> (Clause 20)	John I. Bitove
<b>Renewal Criteria:</b> (Clause 18(b))	<ul style="list-style-type: none"> <li>(a) Franchisor's then current training programs must be in use in all Outlets.</li> <li>(b) All Outlet Managers and Area Managers and the Principal Operator must be trained and certified under Franchisor's current management training programs.</li> <li>(c) Franchisee must use a field management structure approved by Franchisor.</li> <li>(d) No instance has occurred in the preceding 24 months in which Franchisee was notified of a breach of Franchisor's operational standards, as set forth in the Standards and Manual, but failed to cure such breach fully and timely.</li> <li>(e) Throughout the Term, Franchisee must have</li> </ul>

participated either directly, or via a Franchisor brand Marketing Co-operative, in Franchisor's consumer P&L tracking programs from time to time, including (without limitation) brand tracking research, CHAMPS Checks and/or other customer experience monitoring.

<b>Renewal Fee:</b> (Clause 18(h))	A sum in Canadian dollars equivalent to U.S.\$18,800.00 for each KFC Concept Outlet and a sum in Canadian dollars equivalent to U.S.\$28,200.00 for each Multibrand Concept Outlet, in each case CPI adjusted for each year of the Term and in each case as identified in Schedule D.
<b>Renewal Term:</b> (Clause 18)	10 years
<b>Term:</b> (Clause 1.1)	See Schedule D
<b>Transfer Fee (new Franchisees):</b> (Clauses 14.2(a) and 14.3(c)(i))	The equivalent in Canadian dollars of \$5,400.00 U.S. Funds (CPI adjusted for each year of the Term) for each Outlet, subject to an aggregate maximum amount of the equivalent in Canadian dollars of \$1,000,000.00 U.S. Funds together with all external costs and expenses incurred by Franchisor to effect the transfer (including, without limitation, all legal and other professional fees, costs and expenses).
<b>Transfer Fee (Family Members):</b> (Clauses 14.2(b) and 14.3(c)(ii))	All external costs and expenses incurred by Franchisor to effect the transfer (including, without limitation, all legal and other professional fees, costs and expenses).
<b>Transfer Fee:</b> (existing Franchisees in good standing meeting all Expansion Criteria) (Clauses 14.2(b) and 14.3(c)(ii))	All external costs and expenses incurred by Franchisor to effect the transfer (including, without limitation, all legal and other professional fees, costs and expenses).

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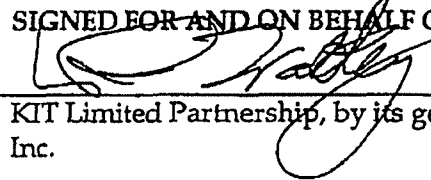
## SIGNED FOR AND ON BEHALF OF FRANCHISOR



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John P. Daly, Vice President, Franchise  
Yum! Brands Canada Management Holding, Inc.  
in its capacity as General Partner of  
Yum! Restaurants International (Canada) LP

## SIGNED FOR AND ON BEHALF OF FRANCHISEE



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KIT Limited Partnership, by its general partner KIT  
Inc.

**SCHEDULE C  
ADDITIONAL CLAUSES**

**THIS IS SCHEDULE C REFERRED TO IN THE FRANCHISE AGREEMENT BETWEEN FRANCHISOR AND FRANCHISEE DATED NOVEMBER 10, 2003.**

**C1. MANUALS AND STANDARDS**

The last sentence of Clause 3.2 is deleted and replaced by the following:

"In the event of any inconsistency in or dispute about the contents of a portion of the Manuals, the version of the relevant portion shall prevail that most recently either (a) was transmitted to Franchisee (as evidenced by a facsimile receipt, e-mail or regular mail return receipt, delivery confirmation, or other acknowledgement by an employee, agent, or representative of Franchisee), or (b) was contained on an internet site of Franchisor."

Clause 3.4 is amended to include the following:

"Franchisor hereby approves Franchisee to make one copy of the Manuals per Outlet, and Franchisee hereby agrees that such copies fall within Franchisee's obligation to return all copies of the Manuals pursuant to Clause 3.4."

**C2. UPGRADES**

Without limiting Clause 4, and subject to the renewal criteria of Clause 18 and Schedule B, Franchisor undertakes:

- (a) not to require Franchisee to complete, during each of the Term and any Renewal Term, more than one comprehensive refurbishment of all fittings, fixtures, signage, equipment, systems and inventory in the front-of-house area of the Outlet to then current Standards (a "FOH Upgrade"); and
- (b) not to require Franchisee to complete, during each of the Term and any Renewal Term, more than one comprehensive refurbishment of all fittings, fixtures, signage, equipment, systems and inventory in the back-of-house area of the Outlet to then current Standards (a "BOH Upgrade"); and
- (c) in any event, not to require Franchisee to complete any FOH Upgrade or BOH Upgrade during the last two years of the Term and any Renewal Term.

**C3. APPROVED PRODUCTS AND SUPPLIES**

The following shall be added as a new Clause 5.4:

"During the Term, Franchisee shall be free to fix its own prices for Approved Products, notwithstanding that the Franchisor may recommend prices for such Approved Products. Franchisee agrees with the Franchisor that throughout the Term it shall not enter into any Agreement, arrangement or concerted practice with any other franchisee of the Franchisor or any other person whatsoever in relation to the prices at which the Franchisee will sell Approved Products."

**C4. PAYMENTS BY FRANCHISEE**

Clause 11.1(a) shall be replaced with:

"The Franchisee shall during the term pay only in the currency detailed in Schedule B."

**C5. INSURANCE, INDEMNITY AND GUARANTEE**

The following shall be added as Clause 12.4:

"Each of the Trust, the Fund, the GP and any Person holding from time to time 20% or more of the issued and outstanding units of the Fund (or securities exchangeable, directly or indirectly, for units of the Fund) on a non-fully diluted basis must guarantee Franchisee's obligations and liabilities under this Agreement in the form required by Franchisor and including such covenants by the Guarantors regarding the terms and conditions of this Agreement as Franchisor may require. A Person who, subsequent to the Date of Grant, becomes required pursuant to this Clause 12.4 to guarantee Franchisee's obligations and liabilities under this Agreement must execute and deliver to Franchisor a guarantee in the form required by Franchisor within 30 days of such date."

**C6. PROTECTION OF SYSTEM PROPERTY AND GOODWILL OF SYSTEM**

Clause 13.1 shall be deleted in its entirety and replaced with the following:

"Franchisee covenants that during the Term, neither Franchisee nor any Affiliated Company of Franchisee will directly or indirectly in any capacity, whether on its own account or as a member, shareholder, director, employee, agent, partner, joint venturer, advisor, consultant or lender, have any interest in, be engaged in or perform any services for any business within the in-Term area specified in Schedule B involving the wholesale or retail preparation,

marketing or sale of any food products without Franchisor's prior written approval, provided that Franchisor will not unreasonably withhold its approval unless one of the following categories of products individually constitutes more than 20% of the food products sold in the business:

- (a) pizza products; or
- (b) pizza and pasta products (collectively); or
- (c) ready-to-eat chicken products; or
- (d) Mexican food products; or
- (e) beef burger products; or
- (f) fish products."

#### C7. TRANSFERS AND CHARGES

To clarify Clause 14, once Franchisor has approved a proposed transferee, the proposed transferee and such guarantors as Franchisor requires must execute all documentation necessary for them to accept all duties and obligations of the franchisee and guarantors, respectively, under the existing International Franchise Agreement for the remaining balance of the Term.

Notwithstanding the provisions of Clause 14.2, Franchisee is permitted to transfer an ownership interest in the Agreement to a spouse or child without formal approval from Franchisor provided that, at the time of transfer, the individual receiving the interest (1) has worked in a management capacity for Franchisee in the business covered by this Agreement for a period of at least one year prior to the transfer, (2) has successfully completed all training courses required by Franchisor, and (3) agrees to participate in the management of Franchisee's business during the time the individual maintains the ownership interest.

Clause 14.3 shall be deleted in its entirety and replaced with the following:

"Franchisee will not, directly or indirectly:

- (a) permit any sale, transfer, gift, charge or pledge by any party of any LP Units or GP Common Shares, other than a transfer of LP Units and GP Common Shares between the limited partners of Franchisee on the Date of Grant as expressly contemplated by the exchange and escrow agreement dated as of the Date of Grant among, *inter alia*, all of the

partners of Franchisee, a true and complete copy of which has been provided to Franchisor;

- (b) permit a change of control (directly or indirectly) of Franchisee or KIT GP;
- (c) issue any new partnership units in Franchisee or shares in KIT GP to any party who is not a partner of KIT LP or a shareholder of KIT GP, respectively, at the Date of Grant; or
- (d) permit any reconstruction, reorganization, amalgamation or other material change in the structure or financial condition of Franchisee or KIT GP, other than an internal reorganization or amalgamation involving Franchisee and one or more of its wholly-owned subsidiaries,

without first obtaining Franchisor's written approval and, in the event of a change in the direct or indirect control of Franchisee or KIT GP, then complying with all of Franchisor's transfer procedures specified in the Manuals, including without limitation:

- (i) in the case of transfers of the controlling interest or shareholding to parties *other than* a spouse, daughter or son of the controlling shareholder (or an entity wholly owned or controlled by such spouse, daughter or son) of Franchisee, paying to Franchisor the transfer fee specified in Schedule B and the costs and expenses incurred by Franchisor in connection with the transfer;
- (ii) in the case of a transfer of the controlling interest or shareholding to the spouse, daughter or son of the controlling shareholder (or an entity wholly owned or controlled by such spouse, daughter or son) of the Franchisee, paying to Franchisor the transfer fee for family members specified in Schedule B and the costs and expenses incurred by Franchisor in connection with the transfer; and
- (iii) procuring the execution by the former and new controlling shareholders of such guarantee and deed of release documentation as Franchisor requires."

The first sentence of Clause 14.4 shall be deleted in its entirety and replaced with the following:

"If Franchisee proposes any sale or transfer of the Business, this Agreement, any interest in this Agreement or any interest or shareholding in Franchisee (other than transfers expressly contemplated by the exchange and escrow

agreement dated as of the Date of Grant among, *inter alia*, all of the partners of Franchisee, a true and complete copy of which has been provided to Franchisor), Franchisee will notify Franchisor of the agreed terms and conditions, and Franchisor will have the right itself to proceed, or to nominate a third party who will proceed, as the purchaser/transferee with the sale or transfer at the same purchase price and otherwise on substantially the same terms and conditions within 60 days of receipt of Franchisee's notice."

#### C8. DEFAULT AND TERMINATION

The terms "other agreement" in Clause 15.1(h) shall be limited to a site outlet, franchise, or master franchise agreement, a shareholders' deed, a guarantee, a release or any other agreement that the parties thereto expressly subject to this clause. Furthermore, where the "other agreement" is a site outlet, franchise, or master franchise agreement that is terminated for an outlet-level, operational default within the control of the Outlet manager, Clause 15.1(h) shall be operable only where, in the preceding 24-month period, Franchisor has terminated for any reason two other Outlets operated by Franchisee or its Affiliated Companies.

Line one of Clause 15.1(j) is amended to include the term "materially" between the terms "Guarantor" and "breaches". Line five of Clause 15.1(j) is amended to include the term "material" between the terms "prior" and "breaches".

The following shall be added as Clause 15.1(k):

"Franchisee fails to open Outlet to the public for Business within twelve (12) months from Date of Grant, Franchisor shall terminate the Agreement, and in addition to any of its other remedies, be entitled to retain the deposit or the entire amount of the initial franchise fee, as the case may be."

The following shall be added as Clause 15.1(l):

"a "take-over bid", as defined in the Securities Act, is made for the units of the Fund (or any other securities of the Fund that are outstanding from time to time) or the trust units of the Trust (or any other securities of the Trust that are outstanding from time to time), or a "change of control" occurs with respect to either the Fund or the Trust, or in the event any reconstruction, reorganization, amalgamation or other material change in the structure of either the Fund or the Trust occurs;"

The following shall be added as Clause 15.1(m):



"in the event that a Person who is required pursuant to Clause 12 to guarantee to the Franchisor the obligations of Franchisee under this Agreement does not, within 30 days of becoming so obligated, deliver to Franchisor a duly executed guarantee in the form required by the Franchisor."

Line two of Clause 15.2(c) is amended to substitute the terms "out-of-pocket expenses, including but not limited to attorneys' fees and other legal expenses" for the terms "administrative costs".

Clause 15.3 shall be deleted in its entirety.

The following shall be added as Clause 15.5:

"For the purpose of Clause 15.1(l), a "change of control" will occur if, following the Date of Grant, any Person (including such Person's "associates" and "affiliates", as such terms are defined in the Securities Act) becomes the beneficial owner of more than 20% of the outstanding units of the Fund (or any other securities of the Fund that are outstanding from time to time) or the trust units of the Trust (or any other securities of the Trust that are outstanding from time to time), other than with the prior consent of the Franchisor."

#### C9. CONSEQUENCES OF TERMINATION

To clarify Clause 16.3, equipment or signage (but not supplies) shall be valued at fair market value or book value less depreciation, whichever is greater. If the parties fail to agree on a price, the value of equipment or signage shall be determined by an agreed-upon appraiser.

#### C10. RENEWAL

To clarify Clause 18(e), a temporary and non-material delay in payment that is caused by war, civil commotion, fire, flood, earthquake, act of God or industrial action or unrest and is cured timely shall not constitute a violation of the Clause 18(e) renewal condition.

Clause 18(i) is deleted.

#### C11. EMPLOYEE TRANSFERS

Clause 21 is amended to include the following:

"During the Term, Franchisor will not, without Franchisee's prior written approval, directly or indirectly employ or seek to employ any employees at or

above the grade of manager who at the time is, or any time during the prior six (6) months was, employed by Franchisee."

#### C12. MISCELLANEOUS

Clause 23.9 shall be deleted in its entirety and replaced with the following:

"Franchisee confirms that it is satisfactory that this Agreement, as well as all other documents relating hereto, including notices, have been and shall be written in the English language only. (Les parties aux présentes confirment leur volonté que cette convention de meme que tous les documents, y compris tous avis, s'y rattachant, soient rédigés en langue anglaise seulement.)"

#### C13. NO COMMON EMPLOYER

It is expressly agreed that the parties to this Agreement are not related and that they do not operate in common any franchise including the business conducted at the Outlet. If, however, any governmental authority, including but not limited to any Labour Relations Board or Tribunal, makes any ruling that requires, or has the effect of requiring Franchisor and Franchisee to jointly negotiate a collective bargaining agreement with a bargaining agent representing Franchisee's employees by virtue of any common employer, successorship or similar ruling, Franchisee acknowledges and agrees that during the course of any such mandated collective bargaining, Franchisor shall have the exclusive right to negotiate and settle the terms of any and all collective agreement binding upon Franchisor and/or Franchisee. Franchisor will, if deemed expedient, consult Franchisee in connection with such collective bargaining arrangements, however, no consultation shall be required and any such discussion shall not fetter Franchisor's discretion with respect to any compromises or agreements made in the course of negotiating such collective agreement. Pursuant to this section Franchisee irrevocably and unconditionally appoints Franchisor as its lawful attorney and/or agent with full power to negotiate, settle and bind Franchisee to a collective agreement with any mandated common bargaining agent of Franchisor. Franchisee agrees to accept and be bound by the terms of any collective agreement negotiated or settled by Franchisor. It is expressly recognized and agreed that this section is for the sole purpose of addressing the need to bargain collectively with Franchisee as a result of a ruling set forth herein and that the parties are not desirous of bargaining jointly in respect of their operations. The parties recognize that in the absence of such a ruling, Franchisee has the sole right to bargain on its own behalf with any duly accredited party and that Franchisor has no right to participate in such bargaining process.

**C14. INVESTMENT CANADA ACT**

- a) Notwithstanding any other provision of this Agreement, the exercise of any right granted herein to Franchisor including any right to acquire any of the business rights of Franchisee or to exercise a first right of refusal contained herein shall be subject to any requisite compliance with the terms of the Investment Canada Act.
- b) Franchisee represents and warrants that Franchisee is a "Canadian" as that term is defined in the Investment Canada Act.

**C15. SALES TRANSFER POLICIES**

At its sole discretion, Franchisor may introduce or withdraw from time-to-time Sales Transfer Policies that will be reflected in the Franchise Policies Manual relevant to this Agreement. While determining the need for and content of these policies will be at Franchisor's sole discretion, Franchisor will seek appropriate Franchisee input.

**C16. WITH RESPECT TO SCHEDULE A**

After the word "authority" in the definition of "Revenue" in Schedule A, the last clause of the definition is revised as follows:

"and no adjustment for cash shortages from cash registers, or for the cost of debit cards, credit cards or any other form of credit payment will be made."

The following definitions shall be added to Schedule A:

"Fund means Prizm Canadian Income Fund, an unincorporated, open-ended, limited purpose trust established under the laws of the Province of Ontario.

GP Common Shares means the common shares in the capital of KIT GP.

KIT GP means KIT Inc., a corporation incorporated under the *Canada Business Corporations Act* and the general partner of Franchisee.

LP Units means, collectively, the ordinary limited partnership units, the exchangeable limited partnership units and the subordinated limited partnership units of Franchisee.

Person means a natural person, partnership, limited partnership, limited liability partnership, corporation, joint stock company, trust, unincorporated association, limited liability company, joint venture or other entity or governmental or regulatory authority or entity.

**Securities Act** means the *Securities Act* (Ontario), as amended from time to time.

**Trust** means Prizm Canadian Operating Trust, an unincorporated, limited purpose trust established under the laws of the Province of Ontario.”

EXECUTED AS AN AGREEMENT

SIGNED FOR AND ON BEHALF OF FRANCHISOR



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John P. Daly, Vice President, Franchise  
Yum! Brands Canada Management Holding, Inc.  
in its capacity as General Partner of  
Yum! Restaurants International (Canada) LP

SIGNED FOR AND ON BEHALF OF FRANCHISEE



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KIT Limited Partnership, by its general partner KIT  
Inc.

# TAB C

This is Exhibit "C"  
to the affidavit of Deborah Papernick,  
sworn before me on the 24<sup>th</sup> day  
of May, 2011

\_\_\_\_\_  
Anne Forrester Ramsay, a  
Commissioner etc., Province of Ontario,  
while a student-at-law.

~~Expires June 17, 2013.~~  
\_\_\_\_\_  
Commissioner for Taking Affidavits

*Anne Ramsay*

## TRANSITION SERVICES AGREEMENT

THIS TRANSITION SERVICES AGREEMENT is dated May 17, 2011 between PRISZM LP (the "Vendor"), PRISZM INC. (the "General Partner") and SOUL RESTAURANTS CANADA INC. (the "Purchaser").

WHEREAS pursuant to the Asset Purchase Agreement, the Purchaser intends to acquire the Purchased Assets (as defined in the Asset Purchase Agreement);

AND WHEREAS the Purchaser desires that the Vendor provide, or cause to be provided, the Services described in Schedule A to the Purchaser on the terms and subject to the conditions set forth herein;

AND WHEREAS the Vendor has voluntarily commended proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises, mutual covenants, agreements hereinafter set forth and contained and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties hereto respectively covenant and agree as follows:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions

In this Agreement, including the recitals and the Schedules attached hereto, unless otherwise provided in this Section 1.1, capitalized words and phrases shall have the meanings given to them in the Asset Purchase Agreement and, in addition:

"Affiliate" has the meaning ascribed to such term in the *Securities Act* (Ontario);

"Agreement" means this Transition Services Agreement, including any and all Schedules hereto, as may be amended from time to time pursuant hereto;

"Asset Purchase Agreement" means the Amended and Restated Asset Purchase Agreement dated May 12, 2011, between the Vendor, Prizm Inc., and the Purchaser;

"Effective Date" means the date upon which the transaction contemplated by the Asset Purchase Agreement is closed;

"Monitor" means FTI Consulting Canada Inc., in its capacity as the Court-appointed Monitor of the Vendor;

"Services" means collectively all of the information technology and other services as more particularly described in Schedule A attached hereto, and such other services as the parties may mutually agree in writing from time to time, to be provided by the Vendor to the Purchaser pursuant to Article 3 of this Agreement or such portion thereof



that remain after any notice of termination served by the Purchaser in accordance with Section 2.2; and

“Term” has the meaning given to it in Section 2.2.

## 1.2 Schedules

The following Schedules are attached to and form part of this Agreement:

Schedule A: Description of Services

## 1.3 Interpretation

Unless otherwise stated or the context otherwise necessarily requires, in this Agreement:

- (a) references herein to any agreement or instrument, including this Agreement, shall be a reference to the agreement or instrument as varied, amended, modified, supplemented or replaced from time to time;
- (b) the terms “in writing” or “written” include printing, typewriting, facsimile or electronic mail transmission;
- (c) references to a statute shall be a reference to:
  - (i) that enactment as amended or re-enacted from time to time and every statute that may be substituted therefor; and
  - (ii) the regulations, bylaws or other subsidiary legislation made pursuant to that statute;
- (d) words importing the singular number only shall include the plural and vice versa, and words importing the use of any gender shall include all genders;
- (e) a reference to time shall, unless otherwise specified, refer to Eastern Standard Time or Eastern Daylight Savings Time during the respective intervals in which each is in force in the Province of Ontario;
- (f) “including”, “includes” and like terms means “including without limitation” and “includes without limitation”;
- (g) the terms “this Agreement”, “hereto”, “hereunder” and similar expressions refer to this Agreement in its entirety;
- (h) the headings of Articles, Sections and paragraphs in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (i) unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and paragraphs are to Articles, Sections

and paragraphs of this Agreement; and references herein to Schedules are references to Schedules to this Agreement;

- (j) where a term is defined herein, a capitalized derivative of that term shall have a corresponding meaning unless the context otherwise requires; and
- (k) if any provision hereof should be determined to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions herein shall not in any way be affected or impaired thereby.

## ARTICLE 2 TERM AND TERMINATION

### 2.1 Condition Precedent

- (1) This Agreement is subject to the following conditions, which conditions are for the mutual benefit of each of the parties and may only be waived, in whole or in part, by agreement of the parties to this Agreement:
  - (a) Court approval of this Agreement; and
  - (b) Court approval of the Asset Purchase Agreement.

### 2.2 Term and Termination

- (1) Subject to the renewal or termination of this Agreement pursuant to the terms and conditions hereof, the term of this Agreement shall commence on the Effective Date and end on July 22, 2011 (the "Term"). Thereafter, the Term may be extended on a weekly basis as the parties may mutually agree.
- (2) If an application for a bankruptcy order or the appointment of a receiver is filed by or against the Vendor or its property, or if the Vendor makes an assignment in bankruptcy for the benefit of its creditors, then the Purchaser may at its option immediately terminate this Agreement by serving notice, written or otherwise, on the Vendor and making the payment contemplated by Article 4 to the date of such event.
- (3) If an application for a bankruptcy order or other insolvency proceeding should be filed by or against the Purchaser, or if application should be made for the appointment of a receiver for the Purchaser or its property, or if the Purchaser should make an assignment in bankruptcy for the benefit of creditors, be unable and fail to pay its debts regularly as they become due, suspend or be caused to suspend business, or commit or cause to be committed any other act amounting to business failure, then in any and all such events, the Vendor may at its option immediately terminate this Agreement by serving notice, written or otherwise, on the Purchaser. For greater certainty, termination of this Agreement shall not relieve the Purchaser from any payment obligations set forth in Article 4 which remain outstanding.

- (4) Either party may terminate this Agreement in the event that the other party breaches a material condition hereof, provided that the first party gives written notice to the second party of the breach. The second party shall have ten (10) days from receipt of such notice to correct the breach. In the event the breach is not remedied within this period, the first party may, in its sole discretion, immediately terminate this Agreement after the expiry of the ten (10) day period.
- (5) Notwithstanding Section 2.2(4), the Purchaser shall have three (3) days to correct any failure to pay to the Vendor amounts due under Article 4 of this Agreement. In the event the breach is not remedied within this period, the Vendor may, in its sole discretion, immediately terminate this Agreement after the expiry of the three (3) day period.
- (6) The Vendor may terminate this Agreement if circumstances develop which make provision of the Services by the Vendor commercially unreasonable; provided that the Vendor shall use reasonable commercial efforts to maintain the ability to provide the Services to the Purchaser.
- (7) Notwithstanding Section 2.2(1) and in addition to the termination rights set out in this Section 2.2, the Purchaser may terminate the provision of any one or more of the Services at any time on seven (7) days prior written notice to the Vendor. For greater certainty, termination of this Agreement shall not relieve the Purchaser from any payment obligations set forth in Article 4 which remain outstanding.

### ARTICLE 3 SERVICES

#### 3.1 Provision of Description of the Services

During the Term, the Vendor will, or will arrange for subcontractors to, provide the Services to the Purchaser in connection with the operation of the Purchased Assets.

#### 3.2 Required Facilities, Etc.

The parties shall work co-operatively with each other to determine the most reasonable manner for providing, or causing to be provided, the facilities, personnel, software equipment, and other resources necessary to provide the Services, on a reasonably comparable basis as provided to the Vendor in respect of the Purchased Assets immediately prior to the Effective Date. To the extent that the Vendor has, prior to the Effective Date, provided any relevant facilities, personnel, software equipment, and other resources needed to effectively provide the Services, it will continue to provide or make available such facilities, personnel, software equipment and other resources to deliver the Services hereunder.

**ARTICLE 4  
PAYMENT**

**4.1 Payment**

- (1) It is agreed and acknowledged by the parties that it is the parties' intention that the provision of Services to the Purchaser by the Vendor shall be on a no costs basis to the Vendor. Therefore, in consideration of the Services to be provided by the Vendor, each week the Purchaser shall pay the Vendor the amount of \$18,250. If the Vendor incurs or will incur an increase in the cost of the Services, the Vendor shall provide the Purchaser with not less than three (3) days written notice that the cost of the applicable Services has or will increase which notice shall also set out the amount of such increase and describe the reasons for such additional costs. The Purchaser shall thereafter have three (3) days to advise the Vendor that it no longer requires the Services to which such increase relates and thereafter shall discontinue such Services subject to the increased cost. If the Purchaser does not so notify the Vendor, such Services will continue at the increased rate from the effective date of the Vendor's notice.
- (2) Each Friday by no later than 1:00pm Toronto time the Purchaser shall pay to the Vendor by banker's draft payable to the Vendor and delivered to the Vendor's office or by wire transfer directly to the Vendor's banking institution the amount of \$18,250 in respect of the provision of Services for the week ending that Friday, subject to the adjustments permitted in 4.1(1) above. In addition, the Purchaser shall pay the amount (in the same manner described above) by which the actual cost to the Vendor of providing the Services in prior weeks exceeded the amount paid by the Purchaser within seven (7) days of receiving written notice of the additional cost from the Vendor described in 4.1(1) above.
- (3) In addition to the payment obligations set forth above, the Vendor shall have the right to satisfy amounts owed to it on account of the provision of Services by way of set-off against any other amounts owing by the Vendor to the Purchaser, including any amounts owing to the Purchaser pursuant to the Asset Purchase Agreement.

**4.2 Taxes**

Any and all taxes, except taxes on income, imposed or assessed by reason of this Agreement or the Vendor's performance of its obligations under this Agreement or on the Services, including any goods and services taxes, shall be paid by the Purchaser in addition to any invoiced amount payable pursuant to Section 4.1.

**ARTICLE 5  
STATUS OF SERVICE PROVIDER**

**5.1 Independent Contractor**

In carrying out the Services, the Vendor shall act as an independent contractor and shall not be nor be deemed to be an employee or partner of the Purchaser.

**ARTICLE 6  
STANDARD OF CARE AND LIABILITY**

**6.1 Standard of Care**

- (a) The Vendor shall use commercially reasonable efforts to ensure that it and its affiliates, and any of their respective directors, officers, employees, agents, contractors and consultants delivering the Services pursuant hereto shall carry out such Services in a prudent and workmanlike manner that is consistent with generally accepted industry practices and standards, in compliance with applicable Laws and the terms and conditions of all agreements in effect and pertaining to the Services and the Purchased Assets, which are, pursuant to this Agreement, being administered by the Vendor.
- (b) The Vendor hereby agrees, represents and warrants that it will use commercially reasonable efforts to provide the Purchaser with the same level of diligence and support services for the operation of the Purchased Assets as the Vendor provided for itself and its affiliates prior to the Effective Date.

**6.2 Liability**

- (a) The Purchaser acknowledges and agrees that (i) neither the Vendor nor the Monitor is in the business of providing services such as the Services to third parties, (ii) the Vendor has agreed to provide the Services as an accommodation to the Purchaser and (iii) neither the Vendor nor the Monitor makes any representations or warranties whatsoever, whether express or implied by statute or otherwise, regarding the Services or any other matters relating to or arising out of this Agreement.
- (b) The Vendor and the Monitor shall not have any liability to the Purchaser or any other Person under this Agreement or for any actions or inactions by the Vendor or the Monitor or their respective representatives, except for losses resulting from the gross negligence or willful misconduct of the Vendor, the Monitor or their respective representatives; provided, however, that the foregoing shall not limit the remedies of the Purchaser against a provider of any Service other than the Vendor, the Monitor or their respective Affiliates.
- (c) No party, or any of its respective Affiliates, officers, directors, employees, shareholders or representatives, shall be liable to the other, whether in contract or in tort, for special, indirect, incidental or consequential damages of any kind, including, without limitation, claims for lost profits or loss of goodwill, even if that party has been advised of the possibility of such damages by reason of any breach or default under this Agreement.

**6.3 Survival**

The parties agree that the limitations of liability set forth in Section 6.2 shall survive and continue in full force and effect despite any termination or expiration of the Term.

#### 6.4 Other Business Interests

The Purchaser acknowledges that the Vendor is engaged in and during the Term will continue to engage in a wide variety of businesses, including in the restaurant industry. The Purchaser acknowledges and consents to all such activities and agrees that nothing herein shall prevent the Vendor, its Affiliates or any of their respective directors, officers, employees and agents from having and conducting such business interests.

### ARTICLE 7 MISCELLANEOUS PROVISIONS

#### 7.1 Access to Books and Records

For a period of eighteen (18) months from the Effective Date, the Vendor shall maintain all books, records, documents and other evidence of the Services performed by it pursuant to this Agreement (the "Books and Records"). The Vendor shall not be responsible or liable to the Purchaser for any accidental loss or destruction of or damage to any such Books and Records. So long as such Books and Records are retained by the Vendor pursuant to this Agreement, the Purchaser will have the reasonable right to inspect and make copies (at its own expense) of them upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Vendor. The Vendor will have the right to have its representatives present during any such inspection.

#### 7.2 Cooperation

Each party shall cooperate with the other party with respect to such exchange of data or information as is reasonably necessary to fully perform the Services.

#### 7.3 Confidentiality

- (a) Other than any disclosure in the CCAA proceedings deemed necessary by the Vendor or the Monitor, the Vendor shall keep and cause its Affiliates to keep confidential all information obtained from the Purchaser in respect of the Purchased Assets and which is obtained or arises as a result of or during the course of provision of the Services.
- (b) Other than any disclosure in the CCAA proceedings deemed necessary by the Vendor or the Monitor, the Vendor agrees not to disclose any confidential information so obtained and shall not use and shall cause its Affiliates not to use any such confidential information except in accordance with this Agreement, provided that the foregoing shall not apply to information that:
  - (i) was in the public domain at the time of disclosure of that information to the Vendor or its Affiliates or thereafter becomes part of the public domain through no fault of the receiving party;

- (ii) is later received by the Vendor or its Affiliates from a third party having the legal right to disclose that information;
- (iii) is required by a government entity to be disclosed, if the Purchaser is given advance written notice of the requirement to disclose that information and a reasonable amount of time (consistent with the requirement pursuant to which disclosure is to occur) in which to seek adequate protective orders; or
- (iv) becomes available to the Vendor or its Affiliates on a non-confidential basis provided that the source of the confidential information is not and was not bound by a confidentiality agreement with the Vendor or its Affiliates to hold that information confidential.

The parties agree that obligations set forth in this Section 7.3 shall survive and continue in full force and effect despite any termination or expiration of the Term.

#### 7.4 Force Majeure

Neither party shall be liable hereunder for any failure or delay in performance caused by or resulting from factors beyond its reasonable control, including labour unrest, strikes, lockouts, unavailability of supplies or acts of God. If the event of force majeure shall persist for a period in excess of ten (10) consecutive days, the Purchaser, at its discretion and cost, may retain the services of a third party or parties to provide the Services to and until the event of force majeure shall cease. Lack of funds shall not constitute an event of force majeure under this Section 7.4.

#### 7.5 Applicable Law and Attornment

This Agreement shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The parties irrevocably submit to the jurisdiction of the Courts of the Province of Ontario and the Courts of Appeal therefrom. The parties hereby attorn to and accept the exclusive jurisdiction of such courts.

#### 7.6 Service of Notice

Any notice, direction or other communication given pursuant to this Agreement (each a "Notice") must be in writing, sent by personal delivery, courier, facsimile or email and addressed:

(1) To the Vendor:

(a) Prizm LP  
101 Exchange Avenue  
Vaughan, Ontario L4K 5R6

Attention: Deborah Papernick  
Facsimile: (416) 977-4860