

**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")

**RESPONDING RECORD  
OF SOUL RESTAURANTS CANADA INC.**

May 24, 2011

**GARDINER ROBERTS LLP**  
Lawyers  
Scotia Plaza  
40 King Street West, Suite 3100  
Toronto ON M5H 3Y2

Jonathan H. Wigley (20120P)  
jwigley@gardiner-roberts.com

Tel: (416) 865-6655  
Fax: (416) 865-6636

Lawyers for Soul Restaurants Canada Inc.

TO: **THE SERVICE LIST**

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PRISZM INC. AND KIT FINANCE INC.**

(the "Applicants")

**SERVICE LIST  
(as at May 11, 2011)**

<b>PARTY</b>	<b>CONTACT</b>
<p><b>PRISZM LP, PRISZM INC., PRISZM CANADIAN OPERATING TRUST, PRISZM INCOME FUND AND KIT FINANCE INC.</b> 101 Exchange Avenue Vaughan, ON L4K 5R6</p> <p><b>Applicants</b></p>	<p><b>Deborah Papernick</b> Tel: (416) 739-2983 Fax: (416) 650-9751 Email: <a href="mailto:deborah.papernick@priszm.com">deborah.papernick@priszm.com</a></p>
<p><b>STIKEMAN ELLIOTT LLP</b> 5300 Commerce Court West 199 Bay Street Toronto, ON M5L 1B9</p> <p><b>Lawyers for the Applicants</b></p>	<p><b>Ashley J. Taylor</b> Tel: (416) 869-5236 Fax: (416) 947-0866 Email: <a href="mailto:ataylor@stikeman.com">ataylor@stikeman.com</a></p> <p><b>Maria Konyukhova</b> Tel: (416) 869-5230 Email: <a href="mailto:mkonyukhova@stikeman.com">mkonyukhova@stikeman.com</a></p> <p><b>Kathryn Esaw</b> Tel: (416) 869-6820 Email: <a href="mailto:kesaw@stikeman.com">kesaw@stikeman.com</a></p>

<p><b>FTI CONSULTING CANADA INC.</b>  TD Waterhouse Tower  79 Wellington St., Suite 2010  Toronto, ON M5K 1G8</p> <p><b>Monitor</b></p>	<p><b>Nigel D. Meakin</b>  Tel: (416) 649-8065  Fax: (416) 649-8101  Email: <a href="mailto:nigel.meakin@fticonsulting.com">nigel.meakin@fticonsulting.com</a></p> <p><b>Toni Vanderlaan</b>  Tel: (416) 649-8075  Email: <a href="mailto:toni.vanderlaan@fticonsulting.com">toni.vanderlaan@fticonsulting.com</a></p>
<p><b>OSLER, HOSKIN &amp; HARCOURT LLP</b>  First Canadian Place  100 King St. West, Suite 6100  Toronto, ON M5X 1B8</p> <p><b>Lawyers for the Monitor</b></p>	<p><b>Marc Wasserman</b>  Tel: (416) 862-4908  Fax: (416) 862-6666  Email: <a href="mailto:mwasserman@osler.com">mwasserman@osler.com</a></p> <p><b>Jeremy Dacks</b>  Tel: (416) 862-4923  Email: <a href="mailto:jdacks@osler.com">jdacks@osler.com</a></p>
<p><b>YUM! RESTAURANTS INTERNATIONAL (CANADA) COMPANY</b>  101 Exchange Avenue  Vaughan, ON L4K 5R6</p>	<p><b>Sabir Sami</b>  Email: <a href="mailto:sabir.sami@yum.com">sabir.sami@yum.com</a></p>
<p><b>WOOLGAR, VANWIECHEN, KETCHESON &amp; DUCOFFE LLP</b>  Barristers and Solicitors  70 The Esplanade, Suite 401  Toronto, ON M5E 1R2</p> <p><b>Lawyers for Yum! Restaurants International (Canada) Company</b></p>	<p><b>Christopher Cosgriffe</b>  Tel: (416) 867-9036  Fax: (416) 867-1434  Email: <a href="mailto:ccosgriffe@woolvan.com">ccosgriffe@woolvan.com</a></p>
<p><b>PRUDENTIAL INVESTMENT MANAGEMENT INC.</b>  100 Mulberry Street  Newark, NJ 07102</p>	<p><b>Paul Procyk</b>  Tel: (973) 802-8107  Fax: (888) 889-3832  Email: <a href="mailto:paul.procyk@prudential.com">paul.procyk@prudential.com</a></p>
<p><b>GOWLINGS LLP</b>  Barristers and Solicitors  1 First Canadian Place  100 King Street West, Suite 1600  Toronto, ON M5X 1G5</p> <p><b>Lawyers for Prudential Investment Management Inc.</b></p>	<p><b>Patrick Shea</b>  Tel: (416) 369-7399  Fax: (416) 862-7661  Email: <a href="mailto:patrick.shea@gowlings.com">patrick.shea@gowlings.com</a></p>

<p><b>BINGHAM MCCUTCHEN LLP</b> One State Street Hartford, CT 06103-3178</p> <p><b>Lawyers for Prudential Investment Management Inc.</b></p>	<p><b>Scott Falk</b> Tel: (860) 240-2763 Fax: (860) 240-2587 Email: <a href="mailto:scott.falk@bingham.com">scott.falk@bingham.com</a></p>
<p><b>RSM RICHTER</b> 200 King Street West, Suite 1100 Toronto, ON M5H 3T4</p> <p><b>Financial advisor for Prudential Investment Management Inc.</b></p>	<p><b>Robert Kofman</b> Tel: (416) 932-6228 Fax: (416) 932-6200 Email: <a href="mailto:bkofman@rsmrichter.com">bkofman@rsmrichter.com</a></p>
<p><b>BLAKE, CASSELS &amp; GRAYDON LLP</b> 2800 Commerce Court West 199 Bay Street Toronto, ON M5L 1A9</p> <p><b>Lawyers for the Former Independent Trustees and Directors of the Applicants</b></p>	<p><b>Susan Grundy</b> Tel: (416) 863-2572 Fax: (416) 863-2653 Email: <a href="mailto:susan.grundy@blakes.com">susan.grundy@blakes.com</a></p> <p><b>Pamela Huff</b> Tel: (416) 863-2958 Email: <a href="mailto:pamela.huff@blakes.com">pamela.huff@blakes.com</a></p> <p><b>David Toswell</b> Tel: (416) 863-4246 Email: <a href="mailto:david.toswell@blakes.com">david.toswell@blakes.com</a></p>
<p><b>MINDEN GROSS LLP</b> 145 King Street West, Suite 2200 Toronto, ON M5H 4G2</p> <p><b>Lawyers for 2279549 Ontario Inc. and Deborah Papernick</b></p>	<p><b>David T. Ullmann</b> Tel: (416) 369-4148 Fax: (416) 864-9223 Email: <a href="mailto:dullmann@mindengross.com">dullmann@mindengross.com</a></p>
<p><b>BENNETT JONES LLP</b> 3400 One First Canadian Place P.O. Box 130 Toronto, ON M5X 1A4</p> <p><b>Conflict Lawyers for Applicants</b></p>	<p><b>Mark Laugesen</b> Tel: (416) 777-4802 Fax: (416) 863-1716 Email: <a href="mailto:laugesenm@bennettjones.com">laugesenm@bennettjones.com</a></p> <p><b>Gavin Finlayson</b> Tel: (416) 777-5762 Email: <a href="mailto:finlaysong@bennettjones.com">finlaysong@bennettjones.com</a></p>

<p><b>AIRD &amp; BERLIS LLP</b>          Brookfield Place, 181 Bay Street          Suite 1800, Box 754          Toronto, ON M5J 2T9</p> <p><b>Lawyers for Scott's Real Estate Investment Trust, SR Operating Trust, Scott's Real Estate Limited Partnership, Scott's Trustee Corp. and Scott's GP Trust</b></p>	<p><b>Steven L. Graff</b>          Tel: (416) 865-7726          Fax: (416) 863-1515          Email: <a href="mailto:sgraff@airdberlis.com">sgraff@airdberlis.com</a></p> <p><b>Ian Aversa</b>          Tel: (416) 865-3082          Email: <a href="mailto:iaversa@airdberlis.com">iaversa@airdberlis.com</a></p>
<p><b>DEPARTMENT OF JUSTICE          ONTARIO REGIONAL OFFICE</b>          The Exchange Tower          130 King Street West          Suite 3400, Box 36          Toronto, ON M5X 1K6</p> <p><b>Attorney General of Canada</b></p>	<p><b>Diane Winters</b>          Tel: (416) 973-3172          Fax: (416) 973-0809          Email: <a href="mailto:diane.winters@justice.gc.ca">diane.winters@justice.gc.ca</a></p>
<p><b>MCCARTHY TÉTRAULT LLP</b>          1000 De La Gauchetière Street West          Bureau 2500          Montréal, QC H3B 0A2</p> <p>Toronto Dominion Bank Tower          66 Wellington Street West, Suite 5300          Toronto, ON M5K 1E6</p> <p><b>Lawyers for Olymel</b></p>	<p><b>Alain Tardif</b>          Tel: (514) 397-4274          Fax: (514) 875-6246          Email: <a href="mailto:atardif@mccarthy.ca">atardif@mccarthy.ca</a></p> <p><b>Kevin McElcheran</b>          Tel: (416) 601-7730          Fax: (416) 868-0673          Email: <a href="mailto:kmcelcheran@mccarthy.ca">kmcelcheran@mccarthy.ca</a></p>
<p><b>MCCARTHY TÉTRAULT LLP</b>          Toronto Dominion Bank Tower          66 Wellington Street West, Suite 5300          Toronto, ON M5K 1E6</p> <p><b>Lawyers for Pepsi-Cola Canada Ltd.</b></p>	<p><b>F. Paul Morrison</b>          Tel: (416) 601-7887          Fax: (416) 868-0673          Email: <a href="mailto:pmorriso@mccarthy.ca">pmorriso@mccarthy.ca</a></p> <p><b>Heather L. Meredith</b>          Tel: (416) 601-8342          Email: <a href="mailto:hmeredith@mccarthy.ca">hmeredith@mccarthy.ca</a></p>

<p><b>LENCZNER SLAGHT ROYCE SMITH GRIFFIN LLP</b>  130 Adelaide Street West  Suite 2600  Toronto, ON M5H 3P5</p> <p><b>Lawyers for Sysco Canada</b></p>	<p><b>Peter Osborne</b>  Tel: (416) 865-3094  Fax: (416) 865-9010  Email: <a href="mailto:posborne@litigate.com">posborne@litigate.com</a></p>
<p><b>TORYS LLP</b>  79 Wellington Street West  TD Centre, Suite 3000  Toronto, ON M5K 1N2</p> <p><b>Lawyers for The Cadillac Fairview Corporation Limited</b></p>	<p><b>David Bish</b>  Tel: (416) 865-7353  Fax: (416) 865-7380  Email: <a href="mailto:dbish@torys.com">dbish@torys.com</a></p>
<p><b>CAW-CANADA</b>  205 Placer Court  Toronto, ON M2H 3H9</p> <p><b>Lawyers for National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada)</b></p>	<p><b>Barry E. Wadsworth</b>  Tel: (416) 495-3776  Fax: (416) 495-3786  Email: <a href="mailto:barry.wadsworth@caw.ca">barry.wadsworth@caw.ca</a></p>
<p><b>GARDINER ROBERTS LLP</b>  Scotia Plaza  40 King St. West, Suite 3100  Toronto, ON M5H 3Y2</p> <p><b>Lawyers for Soul Restaurants Canada Inc.</b></p>	<p><b>Jonathan Wigley</b>  Tel: (416) 865-6655  Fax: (416) 865-6636  Email: <a href="mailto:jwigley@gardiner-roberts.com">jwigley@gardiner-roberts.com</a></p> <p><b>Arlene O'Neill</b>  Tel: (416) 865-6640  Email: <a href="mailto:aconeill@gardiner-roberts.com">aconeill@gardiner-roberts.com</a></p>
<p><b>MILLER THOMSON LLP</b>  Scotia Plaza  40 King St. West, Suite 5800  Toronto, ON M5H 3S1</p> <p><b>Lawyers for Metro-Richelieu Inc.</b></p>	<p><b>Arthi Sambasivan</b>  Tel: (416) 595-8636  Fax: (416) 595-8695  Email: <a href="mailto:asambasivan@millerthomson.com">asambasivan@millerthomson.com</a></p>

<p><b>DAOUST VUKOVICH LLP</b> 20 Queen Street West, Suite 3000 Toronto, ON M5H 3R3</p> <p><b>Lawyers for Canadian Property Holdings Inc.</b></p>	<p><b>Gasper Galati</b> Tel: (416) 598-7050 Fax: (416) 597-8897 Email: <a href="mailto:ggalati@dv-law.com">ggalati@dv-law.com</a></p> <p><b>Ken Pimentel</b> Tel: (416) 597-9306 Email: <a href="mailto:kpimentel@dv-law.com">kpimentel@dv-law.com</a></p>
<p><b>MCLEAN &amp; KERR LLP</b> 130 Adelaide Street West, Suite 2800 Toronto, ON M5H 3P5</p> <p><b>Lawyers for 20 VIC Management Inc.; Ivanhoe Cambridge Inc.; Morguard Investments Limited; Retrocom Mid-Market REIT; Primaris Retail Real Estate Investment Trust; Oxford Properties Group Inc.</b></p>	<p><b>Walter Stevenson</b> Tel: (416) 369-6602 Fax: (416) 366-8571 Email: <a href="mailto:wstevenson@mcleankerr.com">wstevenson@mcleankerr.com</a></p> <p><b>Linda Galessiere</b> Tel: (416) 369-6609 Email: <a href="mailto:lgalessiere@mcleankerr.com">lgalessiere@mcleankerr.com</a></p>
<p><b>SUNRISE POULTRY PROCESSORS LTD.</b> 13542 73-A Avenue Surrey, B.C. V3W 1C9</p>	<p><b>Scott Cummings</b> Tel: (604) 596-9505 Fax: (604) 596-6966 Email: <a href="mailto:scummings@sunrisepoultry.bc.ca">scummings@sunrisepoultry.bc.ca</a></p> <p><b>Doreen Kerr</b> Tel: (604) 596-9505 ext. 3314 Email: <a href="mailto:dkerr@sunrisepoultry.bc.ca">dkerr@sunrisepoultry.bc.ca</a></p>



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Applicants

**AFFIDAVIT OF ALY JANMOHAMED  
(sworn May 20, 2011)**

I, Aly Janmohamed, of Northwood, Middlesex, United Kingdom, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the President of Soul Restaurants Canada Inc. ("**Soul Restaurants**") and as such, I have personal knowledge of the matters deposed to herein except where otherwise stated to be on information and belief, in which case, I believe the same to be true.
2. I am swearing this Affidavit to provide additional information in support of an Assignment Motion<sup>1</sup> I understand is being brought by the Prizm Entities for, among other things, an order authorizing the assignment of all of the rights and obligations of the Prizm Entities under the Outstanding Leases to Soul Restaurants pursuant to section 11.3 of the CCAA and the inherent jurisdiction of this Court, and for no other or improper purpose. Specifically,

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<sup>1</sup> Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Affidavit of Deborah Papernick filed in support of the Assignment Motion.

this Affidavit demonstrates that Soul Restaurants would be able to perform the obligations under the Outstanding Leases should this Court approve the Assignment Motion.

3. Soul Restaurants is the proposed assignee of certain of the Prizm Entities' Leases pursuant to the terms of an Amended and Restated Asset Purchase Agreement dated May 17, 2011 between Prizm Inc. and Prizm LP, on the one hand, and Soul Restaurants, on the other (the "**Soul Agreement**"). I understand that in addition to seeking this Court's approval of the Assignment Motion, the Prizm Entities are concurrently seeking this Court's approval of the Soul Agreement.
4. In connection with Soul Restaurants' entry into the Soul Agreement and the Prizm Entities' obligation to use commercially reasonable efforts to seek out the Landlord Consents thereunder, Soul Restaurants made certain legal and financial information with respect to Soul Restaurants and its two indirect shareholders available to requesting landlords. While these materials are of a proprietary nature and contain confidential and sensitive information (including a detailed business plan), Soul Restaurants will bring them to the hearing on the Assignment Motion and make them available for the Court's review provided that an appropriate sealing order of the Court is obtained. Any landlord served with the Assignment Motion who has not received these materials but would like to obtain them prior to the hearing of the Assignment Motion may contact my counsel, and upon entering into an appropriate confidentiality arrangement, will receive access to these materials.
5. Under the Soul Agreement, all of the employees employed by the Prizm Entities at the 204 outlets being purchased by Soul Restaurants under the Soul

Agreement, as well as all managers currently employed by the Prizm Entities with respect to the outlets, the Regional Directors of Operations, the Area Managers, and the Field Training Leaders employed with respect to the geographic area in which the outlets are situated will all be offered employment with Soul Restaurants.

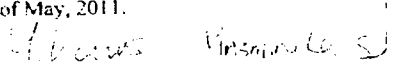
6. Moreover, I have more than thirty (30) years experience operating fast food restaurants in the United Kingdom, with more than twenty-six (26) of those years involving the ownership and operation of Kentucky Fried Chicken fast food restaurants in the United Kingdom. I am the President, a director and one of the two ultimate shareholders of Soul Restaurants.
7. Following the closing, I intend to provide Soul Restaurants with the expertise of certain of my key staff in the United Kingdom who would be available on a priority basis to assist, for the first twelve (12) months following closing and thereafter on an as-needed basis, and others on an as needed basis during the first two years (2) following closing. It is the intention of Soul Restaurants to hire local experienced personnel in Canada to permanently support and/or replace such key staff, as determined by myself and the board of directors of Soul Restaurants.
8. Mr. Shiraz Boghani, the other ultimate shareholder of Soul Restaurants, is a chartered accountant by profession and has more than sixteen (16) years of experience in managing and owning various brands of hotels, and also owns retirement homes in the United Kingdom.
9. Soul Restaurants will be receiving a funding injection of at least \$48 million to complete the acquisition of the Purchased Assets contemplated by the Soul Agreement and to fund ongoing operations. Part of the funding, \$25 million

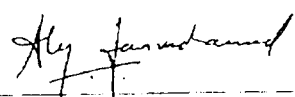
of the \$48 million, will be provided by the Bank of Montreal ("**BMO**") pursuant to a term sheet dated January 14, 2011 issued by BMO to me in support of the purchase transaction (the "**BMO Term Sheet**"). The other \$23 million will be provided by Soul Holdings Inc. (Nova Scotia), which is in turn funded by the ultimate shareholders of Soul Holdings Inc., myself and Mr. Boghani. The KFC locations that I operate in the United Kingdom, in my more than twenty-six (26) year history, have always met their lease obligations as they come due.

10. The outlets acquired by Soul Restaurants will be operated under the Kentucky Fried Chicken, Taco Bell and Pizza Hut brand names (as applicable to the particular Purchased Outlet), and the capital structure of Soul Restaurants set out in the previous paragraph is intended to allow it to operate its business in the normal and ordinary course and to allow it to have the necessary financial ability to comply with and observe the terms and conditions of the assigned leases as well as the other financial obligations of Soul Restaurants as they become due. In addition, Soul Restaurants developed a business plan (the "**Business Plan**"), which I have reviewed and which demonstrates to me that the capital structure of Soul Restaurants is sufficient for Soul Restaurants to perform its obligations under the Outstanding Leases (and, indeed, all of the Leases subject to the Soul Agreement). Since the date of the Business Plan, the information has been updated to reflect the new Purchase Price and current financial results of the Prizm Entities and the revised number of outlets being acquired. The Business Plan with the updated information is the same business plan as was presented to BMO at the time of the application for funding to BMO and has been found to be satisfactory to BMO to justify issuing the BMO Term Sheet. The Business Plan is based on current expectations based on the financial performance of the business as operated by the Prizm Entities but of course

actual results could differ from those reflected in the forward-looking information contained in such Business Plan.

11. We are advised that the funding arrangements of Soul Restaurants have also been accepted by Prudential Investment Management, Inc. (the Prizm Entities' senior lender) and also the Franchisor in consenting to the transactions contemplated by the Soul Agreement.
12. I believe that Soul Restaurants is a fit and proper person that is willing, able and motivated to honour the terms and conditions of the Outstanding Leases.
13. I have been by advised by Lynda Dennison, the then Property Manager of Prizm Income Fund and Prizm Inc., and believe that representatives of the Prizm Entities contacted in the months of January and February of 2011, each of the landlords whose Leases are sought to be assigned pursuant to the Soul Agreement.
14. I am swearing this Affidavit in support of the Assignment Motion brought by the Prizm Entities and for no other or improper purpose.

SWORN before me at the County of Middlesex, in the United Kingdom, this 20<sup>th</sup> day of May, 2011.  
  
A Commissioner for taking affidavits.

  
Aly Jammohamed

**Louis Ssekkono Solicitors**  
19-15 Craven Street  
London  
WC2N 5AD

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PROCEEDING COMMENCED AT  
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**RESPONDING RECORD  
OF SOUL RESTAURANTS CANADA INC.**

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**GARDINER ROBERTS LLP**

Lawyers  
Scotia Plaza  
40 King Street West, Suite 3100  
Toronto ON M5H 3Y2

Jonathan H. Wigley (20120P)  
jwigley@gardiner-roberts.com

Tel: (416) 865-6655  
Fax: (416) 865-6636

Lawyers for Soul Restaurants Canada Inc.