

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

ON READING the May 24 Affidavit, the Second Report (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 (the “**Franchisor**”), 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 (as defined in and in the form attached to the May 24 Affidavit as Exhibit “C”) and the Occupation Agreement (as defined in and in the form attached to the May 24 Affidavit as Exhibit “D”) 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 (the "**Initial Order**"), 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 amount of 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 the Franchisor \$5,900,950.07, 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 the Franchisor \$1,838,726.40, in respect of unpaid continuing fees and other monetary accruals (exclusive of interest) accrued with respect to the Outlets during the period from March 31, 2011 to and including May 15, 2011;
- (c) pay from the Purchase Price to the Franchisor the amount, not to exceed \$1.5 million, of the unpaid continuing fees and other monetary accruals (exclusive of interest) accrued with respect to the Outlets during the period from May 16, 2011 to Closing within three business days of such amount being calculated by the Vendor and agreed upon with the Franchisor and the Monitor;
- (d) pay from the Purchase Price to the Franchisor \$1,100,909.34, in respect of transfer fees payable to the Franchisor pursuant to the Franchise Agreement for each Outlet in consideration for the Franchisor's consent to the sale of the Purchased Assets and the assignment of the Franchise Agreements for each Outlet and the Master Franchise Agreement as it relate to the Outlets pursuant to the Soul Agreement;

- (e) 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
- (f) 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 Madam Justice Mesbur dated Friday, April 29, 2011)).

6. **THIS COURT ORDERS** that notwithstanding the holding of the Purchase Price by the Monitor the Purchase Price is not being and shall not be deemed to be held in trust for any specific party or specific parties and 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 or with respect to any payments made by the Monitor pursuant to paragraph 4 hereof.

9. **THIS COURT ORDERS** that the Prizm Entities, the CRO (as defined in the Initial Order), Deborah Papernick and Jim Robertson are hereby released and discharged from any and all actions, causes of action, liabilities, claims and demands whatsoever which the Franchisor and its affiliates ever had, now have or may hereafter have by reason of any cause, matter or thing whatsoever existing up to the date of Closing and arising out of, related to, or in connection with the Franchise Agreement for each Outlet and the Master Franchise Agreement as it relates to the Outlets, any collateral franchise documentation relating to the Franchise Agreements for each Outlet

and the Master Franchise Agreement as it relates to the Outlets, or the Business (as such term is defined in the Franchise Agreements for each Outlet) carried on at the Outlets, save and except for the obligation to pay any of the amounts referred to in paragraph 4 hereof.

10. **THIS COURT ORDERS** that the Franchisor and its affiliates are hereby released and discharged from any and all actions, causes of action, liabilities, claims and demands whatsoever which the Prizm Entities ever had, now have or may hereafter have by reason of any cause, matter or thing whatsoever existing up to the date of Closing and arising out of, related to, or in connection with the Franchise Agreement for each Outlet and the Master Franchise Agreement as it relates to the Outlets, any collateral franchise documentation relating to the Franchise Agreements for each Outlet and the Master Franchise Agreement as it relates to the Outlets, or the Business (as such term is defined in the Franchise Agreements for each Outlet) carried on at the Outlets, save and except for the obligation to pay \$163,319.09 owing by the Franchisor to the Prizm Entities.

11. **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.

12. **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.

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

14. **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.

15. **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.

16. **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.

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
Priszm Entities and not in its personal
capacity**

Per: _____
Name:
Title:

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

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

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

**ONTARIO
SUPERIOR COURT OF JUSTICE -
COMMERCIAL LIST**

Proceeding commenced at Toronto

**O R D E R
(Re Sale Approval)**

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