

Court File No. 08-CL-7841

**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 INTERTAN CANADA LTD. AND  
TOURMALET CORPORATION

APPLICANTS

**AFFIDAVIT OF MARK J. WONG**  
(Sworn February 5, 2009)

I, Mark J. Wong, of the Town of Caledon, in the Province of Ontario, MAKE  
OATH AND SAY:

1. I am the Vice-President, General Counsel and Secretary of the Applicant, InterTAN Canada Ltd. ("InterTAN"). As such, I have personal knowledge of the matters deposed to herein. Where I have relied on other sources for information, I have specifically referred to such sources and verily believe them to be true.

**Background**

2. On November 10, 2008, InterTAN Canada Ltd. ("InterTAN") and Tourmalet Corporation ("Tourmalet", collectively the "Applicants") filed for and obtained protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), pursuant to the Initial Order of the Honourable Justice Morawetz, dated November 10, 2008. A copy of the Amended and Restated Initial Order, dated November 10, 2008, is attached as Exhibit "A".

3. Pursuant to the Amended and Restated Initial Order, Alvarez & Marsal Canada, ULC was appointed as monitor ("Monitor") of the Applicants pursuant to the CCAA.

4. On December 5, 2008, the Honourable Justice Morawetz approved a CCAA sale process for the Applicants (the "CCAA Sale Process"). A copy of the Honourable Justice Morawetz's order, dated December 5, 2008, is attached as Exhibit "B". The CCAA Sale Process was subsequently amended by a further order of the Honourable Justice Morawetz on January 14, 2009. A copy of the Honourable Justice Morawetz's order dated January 14, 2009 is attached as Exhibit "C". Collectively these orders are referred to herein as the CCAA Sale Process Orders.

5. Pursuant to the terms of the CCAA Sale Process Orders, the Applicants received a number of formal bids from potential purchasers for the purchase of the Applicants' business on Friday January 23, 2009. The Applicants, together with their financial advisors, FTI Consulting Inc., investment bankers, N M Rothschild and Sons Canada ("Rothschild Canada"), and the Monitor, are in the process of reviewing those formal bids and discussing the terms with the bidders.

### ***Pre-Filing Claims Process***

6. In its First Report, dated November 24, 2008, the Monitor indicated that the estimated amount of trade creditor claims stayed under the Amended and Restated Initial Order was approximately \$29,300,000. The Applicants are of the view that it would be of assistance to this CCAA proceeding to initiate a claims process for claims against the Applicants that existed as at November 10, 2008 (the "Pre-Filing Claims Process") and which have not been cured during the filing period. A copy of the proposed order setting out the Pre-Filing Claims Process for the solicitation of Proofs of Claim from pre-filing creditors (the "Pre-Filing Creditors"), which was developed in consultation with the Monitor, (the "Pre-Filing Claims Process Order") is attached as Exhibit "D".

7. The proposed Pre-Filing Claims Process would allow the Applicants and their stakeholders to have greater certainty as to the universe of potential pre-filing claims, and to ensure that any additional claims not known at the time of the Monitor's First Report are captured.

8. The Applicants are also cognizant of the fact that it is difficult at this time to predict with certainty the future path of this CCAA proceeding and the mechanism for potential

future distributions in accordance with the priorities set out in the Amended and Restated Initial Order. Thus, the proposed Pre-Filing Claims Process only requires Pre-Filing Creditors to file their claim by a specific bar date (the "Claims Bar Date") and does not propose a dispute resolution process at this time. The proposed Pre-Filing Claims Process Order does provide that the Applicants and the Monitor may review Proofs of Claim received by the Claims Bar Date and that they may attempt to reconcile any discrepancies between Proofs of Claim filed and the books and records of the Applicants.

9. I am advised by Marc Wasserman, counsel for the Applicants, and believe, that some type of additional process may be required in the future to deal with potential restructuring claims that may arise out of a sale or other ultimate transaction involving InterTAN's business and any other claims that need to be dealt with in this proceeding. The Applicants propose that any remaining disputes with Proofs of Claim filed pursuant to the Pre-Filing Claims Process be dealt with in conjunction with such additional process.

10. The Applicants believe that the proposed Pre-Filing Claims Process strikes an appropriate balance by achieving the benefits of greater certainty with respect to the total pre-filing claim amount, and ensuring that pre-filing claims are known, without requiring the Applicants' creditors to engage in a potentially time-consuming and expensive process to litigate disputed claims when such adjudication may prove to be unnecessary.

### ***Proposed Timeline***

11. The Pre-Filing Claims Process incorporates the following milestone dates:
- (a) February 13, 2009: the Applicants deliver a Proof of Claim and Instruction Letter, substantially in the form attached as Schedule "A" to the Pre-Filing Claims Process Order, and a copy of the proposed Pre-Filing Claims Process Order (the "Claims Package") to each known Pre-Filing Creditor at the last recorded address as set out in the books and records of the Applicants;
  - (b) February 13, 2009: the Applicants shall cause a notice, substantially in the form attached as Schedule "B" to the proposed Pre-Filing Claims Process Order (the

“Notice to Creditors”), to be placed in the Globe and Mail (National Edition) and La Presse (the French language translation thereof);

- (c) February 13, 2009: the Monitor shall cause the Notice to Creditors and the Claims Package to be posted on the Monitor’s Website until the Claims Bar Date; and
- (d) March 16, 2009 (by 5:00 p.m. Toronto time) (the “Claims Bar Date”): all Pre-Filing Creditors shall submit their Proofs of Claim via facsimile transmission, personal delivery, courier or prepaid mail addressed to one or both of the Applicants at:

InterTAN Canada Ltd. and/or  
Tourmalet Corporation

c/o Alvarez & Marsal Canada, ULC  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2000  
P.O. Box 22  
Toronto, ON M5J 2J1

Attention: Mr. Stephen Moore  
Telephone: 416.847.5167  
Facsimile: 416.847.5201

12. The Applicants and the Monitor will then review each Proof of Claim received by the Claims Bar Date. Where there are any discrepancies between Proofs of Claim filed and the books and records of the Applicants, the Applicants and the Monitor will attempt to reconcile these discrepancies to achieve more precision on the quantum of pre-filing claims.

13. It is proposed that the following parties not be required to file a Proof of Claim pursuant to the Pre-Filing Claims Process:

- (a) the DIP Lenders (as defined in the Amended and Restated Initial Order);
- (b) the Applicants’ U.S. debtor affiliates;
- (c) customers with gift cards, store credits, or with ongoing warranty programs;
- (d) employees who continued to be employed by the Applicants after November 10, 2008; and

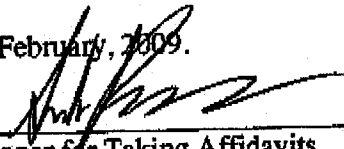
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- (e) Joint Venture Managers of stores that remained open after November 10, 2008 in respect of deposits provided to InterTAN pursuant to joint venture agreements.

The Applicants propose not requiring the parties set out in subparagraphs (c), (d) and (e) above to file a Proof of Claim as these parties are currently being dealt with in the ordinary course.

14. It is my belief that the Pre-Filing Claims Process is a fair and reasonable method of soliciting the pre-filing claims of Pre-Filing Creditors.

SWORN BEFORE ME at the CITY of  
Vaughan, in the Province of Ontario, this  
5<sup>th</sup> day of February, 2009.

  
Commissioner for Taking Affidavits

Sachin Lalit Kanabar,  
a Commissioner, etc.,  
Province of Ontario,  
while a Student-at-Law.  
Expires March 27, 2010

  
MARK I. WONG