

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 January 12, 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.

Introduction

2. On November 10, 2008, the Applicants commenced an application under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), and were granted an Initial Order which provided, *inter alia*, a stay of proceedings in favour of the Applicants until and including December 9, 2008, or such later date as the Court may order. I provided an affidavit, sworn November 10, 2008, in support of the Applicants' CCAA Application (the "Initial Wong Affidavit"). A copy of the Initial Wong Affidavit (without exhibits) is attached as Exhibit "A".

3. On December 5, 2008, the Applicants brought a motion for the approval of a sale process (the "CCAA Sale Process") and the extension of the Stay Period (as defined in the Initial

Order) until January 30, 2009. I provided a supporting Affidavit, sworn December 3, 2008 on that motion (the "December 3 Wong Affidavit"). A copy of the December 3 Wong Affidavit (without exhibits), is attached as Exhibit "B".

4. At the December 5, 2008 hearing, the Court granted an order approving the CCAA Sale Process and the extension of the Stay Period (the "December 5 Order"). A copy of the December 5 Order is attached as Exhibit "C". The December 5 Order, *inter alia*, authorizes and directs InterTAN, N M Rothschild & Sons Canada ("Rothschild Canada") and the Monitor to "take such actions as are required to complete the CCAA Sale Process". Also at the December 5, 2008 hearing, the Applicants proposed and the Court granted an Amended and Restated Initial Order that responded to certain stakeholder concerns. A copy of the Amended and Restated Initial Order is attached as Exhibit "D".

STAY PERIOD EXTENSION

5. InterTAN has been acting, and continues to act in good faith and with due diligence to pursue a restructuring, including a going concern transaction through the CCAA Sale Process.

6. The CCAA Sale Process is well underway, and a number of potential purchasers have expressed interest in InterTAN. Additional information concerning the CCAA Sale Process is contained in the affidavit sworn on January 12, 2009 by Peter Teti of Rothschild Canada. InterTAN is currently seeking to extend the time for the submission of firm proposals (including a required mark-up of the draft purchase and sale agreement) from the January 15, 2009 deadline established by the December 5 Order until January 23, 2009 (the "Formal Bid Date Extension").

7. The Stay Period granted under the Initial Order, and extended under the December 5 Order, currently expires on January 30, 2009. The Applicants are proposing that the Stay Period be extended to March 31, 2009.

8. The requested stay extension takes into account the Applicants' proposed Formal Bid Date Extension. It will allow the CCAA Sale Process to continue and firm proposals for the business to be received and analyzed in consultation with the Monitor. It will also provide the time necessary for the Applicants to negotiate the terms of and complete a definitive purchase

and sale agreement, with the objective of obtaining the best possible result for a restructuring of InterTAN's business and to maximize enterprise value for the benefit of all stakeholders.

9. A copy of the Applicants' cash flow projections for the week of January 11, 2009 to the week of April 5, 2009 are attached as Exhibit "E". These cash flow projections show a continued need for the Applicants' debtor-in-possession financing as approved in the Amended and Restated Initial Order with maximum DIP borrowings of approximately \$21.5 million during the weeks of March 8, 2009 and April 5, 2009.

ROTHSCHILD AGREEMENT APPROVAL

10. On or about December 30, 2008, after consulting with the Monitor, InterTAN, Inc., on behalf of and as the sole shareholder of InterTAN pursuant to the Unanimous Shareholder Declaration made as of October 7, 2008, and InterTAN, Inc. entered into an agreement (made as of October 13, 2008) with Rothschild Canada and Rothschild Inc. ("RINC" together with Rothschild Canada "Rothschild") relating to Rothschild's provision of investment banking services to InterTAN (the "Rothschild Agreement"). A copy of the Rothschild Agreement is attached as Exhibit "F".

11. The Rothschild Agreement requires that InterTAN use commercially reasonable efforts to obtain Court approval of:

- (a) the Rothschild Agreement; and
- (b) Rothschild's retention by InterTAN under the terms of the Rothschild Agreement,

nunc pro tunc to the date that these CCAA Proceedings were commenced.

12. Circuit City Stores, Inc. and certain of its affiliates entered into a separate engagement letter with RINC dated as of October 13, 2008 regarding the retention of RINC in connection with potential transactions involving InterTAN's U.S. debtor affiliates. It is my understanding that the U.S. engagement letter was subsequently approved by the U.S. bankruptcy court.

13. As a result of concerns expressed by the Monitor in discussions with the Applicants and its U.S. debtor affiliates regarding potential issues that could result from a single,

global sale, of the assets of the Applicants and its U.S. debtor affiliates, and to ensure that there would be an independent sale process for the Canadian assets, the Applicants and its shareholder negotiated and entered into the Rothschild Agreement which relates solely to the Applicants' assets. The Applicants provided draft copies of the Rothschild Agreement to counsel to the Monitor and the parties incorporated certain suggestions made by counsel to the Monitor to the Rothschild Agreement.

14. It is my belief that Rothschild's general investment banking experience and expertise, its knowledge of capital markets and its capabilities in the area of mergers and acquisitions have benefitted InterTAN, are required by the December 5 Order and are essential to the completion of a CCAA Sale Process to maximize enterprise value.

15. It is also my belief that the quantum and nature of the remuneration provided for in the Rothschild Agreement is fair and reasonable. Specifically, the fees payable to Rothschild as set out in paragraph 4 of the Rothschild Agreement are to be paid directly from the proceeds of any transaction and are only payable if a transaction is completed that will result in material benefits to InterTAN and its stakeholders.

TRANSFER TO CIRCUIT CITY GLOBAL SOURCING

16. As described in paragraphs 46-49 of the Initial Wong Affidavit, InterTAN sources private label products from factories in Asia and leverages Circuit City Global Sourcing, Limited ("CCGS"), a subsidiary of Circuit City, Inc., which has offices in Hong Kong, Shenzhen, China and Taipei, Taiwan for sourcing, merchandising and quality control. InterTAN pays commissions in the ordinary course to CCGS in respect of services provided by CCGS to InterTAN. For example, commissions payable by InterTAN for the month of December, 2008 are approximately \$158,000. During fiscal 2007, CCGS sourced or maintained over 1,600 SKUs for InterTAN representing approximately 30% of InterTAN's total merchandising sales.

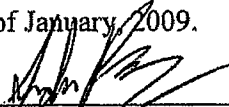
17. On January 9, 2009, at the request of CCGS, InterTAN couriered a bank draft to CCGS' office in Hong Kong for HKD \$42,237.00 (the "Funds"). A copy of the bank draft for the Funds is attached as Exhibit "G". The Funds equate to approximately \$6,631.10.

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18. InterTAN sent the Funds to CCGS on an expedited basis, as CCGS required the Funds immediately to secure new rental premises and to significantly reduce its ongoing rental expense. CCGS was advised by the landlord of the new premises that if the Funds were not paid immediately the landlord would lease the new premises to another tenant. The bank draft is addressed to Asia-HK Investment Ltd., the landlord of the new rental premises. In addition, InterTAN will also be providing a security deposit to the landlord in the amount of approximately \$24,000 in order to secure the new rental premises.

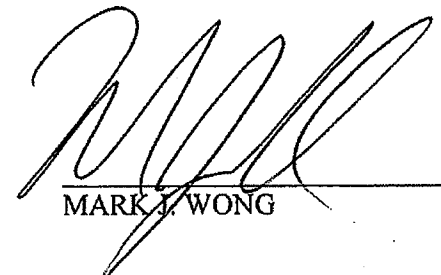
19. On December 24, 2008, the Court made an Order that, until the earlier of January 14, 2009 or further order of this Court, the Applicants shall not make any advances to any of its U.S. debtor affiliates. CCGS is not a debtor pursuant to the Chapter 11 proceedings involving InterTAN's U.S. debtor affiliates. InterTAN will offset the Funds and the payment of the security deposit against the normal course commissions payable by InterTAN to CCGS for the month of December, 2008 as described above.

SWORN BEFORE ME at the CITY of
Barrie, in the Province of Ontario, this
12th day of January, 2009.



Commissioner for Taking Affidavits

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



MARK J. WONG

This is Exhibit "E" referred to in the
Affidavit of Mark J. Wong, sworn
before me on January 12, 2009.



Sachin Kanabar

A Commissioner for Taking Affidavits

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

	January			February			March			April				
	Week 1 Forecast 11-Jan	Week 2 Forecast 18-Jan	Week 3 Forecast 25-Jan	Week 4 Forecast 1-Feb	Week 5 Forecast 8-Feb	Week 6 Forecast 15-Feb	Week 7 Forecast 22-Feb	Week 8 Forecast 1-Mar	Week 9 Forecast 8-Mar	Week 10 Forecast 15-Mar	Week 11 Forecast 22-Mar	Week 12 Forecast 29-Mar	Week 13 Forecast 5-Apr	
Receipts	14,454	12,785	9,291	11,925	9,287	12,465	13,398	9,491	11,869	10,880	10,976	12,115	9,275	148,212
Operating Disbursements	9,784	6,950	7,228	6,534	6,525	6,512	8,277	3,537	8,928	5,556	2,923	9,067	6,613	88,434
Merchandise	4,661	1,156	3,035	-	2,939	726	2,995	-	2,914	725	3,090	73	3,089	25,402
Payroll & Payroll Taxes	3,667	1,678	6,512	3,782	5,394	1,327	3,654	5,872	1,630	775	3,581	1,921	4,898	44,692
Operating Disbursements	268	318	559	296	460	378	398	396	592	160	406	130	496	4,858
Non Operating Disbursements	18,380	10,101	17,334	10,612	15,318	8,943	15,324	9,806	14,064	7,216	10,000	11,192	15,096	163,386
Total Disbursements	(3,926)	2,684	(8,044)	1,313	(6,030)	3,522	(1,926)	(315)	(2,195)	3,665	976	923	(5,820)	(15,173)
Net Cash Flow	13,005	3,579	6,263	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	13,005
Beginning Cash	(3,926)	2,684	(8,044)	1,313	(6,030)	3,522	(1,926)	(315)	(2,195)	3,665	976	923	(5,820)	(15,173)
Change in Cash	9,079	6,263	(1,781)	6,313	(1,030)	8,522	3,074	4,685	2,805	8,665	5,976	5,923	(820)	(2,168)
Ending Cash	-	-	6,781	-	6,030	-	1,926	315	2,195	-	-	-	5,820	23,067
Plus: Borrowings	(5,500)	-	-	(1,313)	-	(3,522)	-	-	-	(3,665)	(976)	(923)	-	(15,899)
Less: Paydown	3,579	6,263	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Ending Cash Balance after Paydown	10,500	5,000	5,000	11,781	10,467	16,498	12,976	14,901	15,216	17,411	13,747	12,771	11,847	10,500
Beginning Loan Balance	-	-	6,781	-	6,030	-	1,926	315	2,195	-	-	-	5,820	23,067
Plus: Borrowings	(5,500)	-	-	(1,313)	-	(3,522)	-	-	-	(3,665)	(976)	(923)	-	(15,899)
Less: Payments	5,000	5,000	11,781	10,467	16,498	12,976	14,901	15,216	17,411	13,747	12,771	11,847	17,668	17,668
Ending Loan	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Plus: LC's	9,000	9,000	15,781	14,467	20,498	16,976	18,901	19,216	21,411	17,747	16,771	15,847	21,668	21,668
Ending Balance - Bank														

This is Exhibit "F" referred to in the
Affidavit of Mark J. Wong, sworn
before me on January 12, 2009.



Sachin Kanabar
A Commissioner for Taking Affidavits

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

As of October 13, 2008

InterTAN Canada Ltd.
279 Bayview Drive
Barrie, Ontario L4M 4W5



Dear Sirs:

This letter (the "Agreement") will confirm the terms and conditions of the agreement by and among InterTAN, Inc. and InterTAN Canada Ltd. (together with their direct and indirect subsidiaries, the "Company") and N M Rothschild & Sons Canada Securities Limited and Rothschild Inc. (together with their affiliates, successors and assignees, as appropriate "Rothschild"), regarding the retention of Rothschild as investment banker to the Company in connection with any Recapitalization Transaction, M&A Transaction or New Capital Raise (each as defined below and collectively, a "Transaction").

Section 1 Services to be Rendered. In connection with the formulation, analysis and implementation of various options for a restructuring, reorganization or other strategic alternative relating to the Company, whether pursuant to a Transaction or any series or combination of Transactions, Rothschild will perform the following services to the extent Rothschild deems necessary, appropriate and feasible and as requested by the Company:

- (a) identify and/or initiate potential Transactions;
- (b) develop a list of potential buyers for the Company or any portion thereof and contact such potential buyers regarding their interest in pursuing a M&A Transaction;
- (c) advise the Company on the risks and benefits of considering a Transaction with respect to the Company's intermediate and long-term business prospects and strategic alternatives to maximize the business enterprise value of the Company;
- (d) review and analyze any proposals the Company receives from third parties in connection with a Transaction or other transaction, including, without limitation, any proposals for debtor-in-possession financing ("DIP"), as appropriate;
- (e) assist in soliciting DIP and/or exit financing;
- (f) assist or participate in negotiations with the parties in interest, including, without limitation, any current or prospective creditors of, holders of equity in, or claimants against the Company and/or their respective representatives in connection with a Transaction;
- (i) advise the Company with respect to, and attend meetings of, the Company's Board of Directors, creditor groups, official constituencies and other interested parties, as necessary;
- (j) if requested by the Company, participate in proceedings before the court (the "Court") overseeing the Company's proceedings under the CCAA (as defined below) and provide

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relevant testimony with respect to the matters described herein;

(k) assist the Company with coordinating its proceedings under the CCAA with the case commenced by its parent Circuit City Stores, Inc. under Title 11 of the United States Code §§ 101 et seq.;

(l) review with and continue to update the Court-appointed Monitor and its designated advisors on Rothschild's activities; and

(m) render such other investment banking services as may be agreed upon by Rothschild and the Company.

As used herein, the term "Recapitalization Transaction" shall mean, collectively, whether pursuant to the Companies' Creditors Arrangement Act ("CCAA"), any other similar insolvency, reorganization or restructuring statute or otherwise: (a) any transaction or series of transactions that effects material amendments to or other material changes in any of the Company's outstanding indebtedness and other liabilities, including any exchange or repurchase of the Company's indebtedness; (b) any restructuring, reorganization, exchange offer, tender offer, refinancing or similar transaction, whether or not pursuant to a plan filed under the CCAA (a "Plan"); or (c) any transaction similar to any of the foregoing.

As used herein, the term "M&A Transaction" shall mean: (a) whether pursuant to the CCAA or otherwise (i) any merger, consolidation, reorganization, recapitalization, financing, refinancing, business combination or other transaction pursuant to which the Company (or control thereof) is acquired by, or combined with, any person, group of persons, partnership, corporation or other entity (an "Acquirer") or (ii) any acquisition, directly or indirectly, by an Acquirer (or by one or more persons acting together with an Acquirer pursuant to a written agreement or otherwise), whether in a single transaction, multiple transactions or a series of transactions, of (A) other than in the ordinary course of business, any material portion of the assets, business or operations of the Company or (B) any outstanding or newly-issued shares of the Company's capital stock or any securities convertible into, or options, warrants or other rights to acquire such capital stock or other equity securities of the Company, for the purpose of effecting, participating in or pursuing a recapitalization or change of control of the Company or (b) any transaction similar to any of the foregoing. Notwithstanding any other provision of this Agreement, the term "M&A Transaction" as used herein shall include any transaction described above in which consideration includes a credit or other bid involving consideration other than cash, in whole or in part, such as pre- and post-petition loans, trade claims, leases, other outstanding pre- and post-petition indebtedness or other non-cash consideration. To the extent that an M&A Transaction includes the elements of a Recapitalization Transaction, the transaction shall be regarded, for purposes of this letter agreement, as an M&A Transaction and not, for the avoidance of doubt, as both a Recapitalization Transaction and an M&A Transaction.

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In performing its services pursuant to this Agreement, and notwithstanding anything to the contrary herein, Rothschild is not assuming any responsibility for the Company's decision to pursue (or not to pursue) any business strategy or to effect (or not to effect) any Transaction or other transaction. Rothschild shall not have any obligation or responsibility to provide accounting, audit, "crisis management" or business consultant services to the Company, and shall have no responsibility for designing or implementing operating, organizational, administrative, cash management or liquidity improvements.

Section 2 Information Provided by the Company.

(a) The Company understands and agrees that the services to be rendered by Rothschild pursuant to Paragraph 1 of this Agreement and the advice, whether formal or informal, relating thereto are solely for the benefit and use of the Company. The Company agrees that any reports, recommendations or opinions, which are provided to the Company in the context of this engagement, shall not be summarized, excerpted from, disclosed publicly, made available to third parties (other than Circuit City Stores, Inc., the Company and their respective advisors who agree to be bound by the provisions of this Section 2(a)) or otherwise referred to, in whole or in part, without the prior written consent of Rothschild and except as is necessary (in the Company's good faith belief) in connection with the Company's obligations to the Court in connection with the CCAA process. Any reference to Rothschild in a press release or other document (except as specifically noted in the immediately preceding sentence) shall be submitted to Rothschild for its approval prior to the distribution or dissemination thereof.

(b) The Company will cooperate with Rothschild and furnish to, or cause to be furnished to, Rothschild any and all information as Rothschild deems appropriate to enable Rothschild to render services hereunder (all such information being the "Information"). The Company recognizes and confirms that Rothschild (i) will use and rely solely on the Information and on information available from generally recognized public sources in performing the services contemplated by this Agreement without having assumed any obligation to verify independently the same; (ii) does not assume responsibility for the accuracy or completeness of the Information and such other information and (iii) will not act in the official capacity of an appraiser of specific assets of the Company or any other party. The Company confirms that the information to be furnished by the Company, when delivered, to the best of its knowledge will be true and correct in all material respects, will be prepared in good faith, and will not contain any material misstatement of fact or omit to state any material fact. The Company will promptly notify Rothschild if it learns of any material inaccuracy or misstatement in, or material omission from, any Information theretofore delivered to Rothschild.

(c) The Company acknowledges that in the course of this engagement it may be necessary for Rothschild and the Company to communicate electronically. The Company further acknowledges that although Rothschild will use commercially reasonable procedures to check for the most commonly known viruses, the electronic transmission of information cannot be

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guaranteed to be secure or error-free. Furthermore, such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Accordingly, the Company agrees that, to the extent Rothschild utilizes such commercially reasonable procedures, Rothschild shall have no liability to the Company with respect to any error or omission arising from or in connection with (i) the electronic communication of information to the Company or (ii) the Company's reliance on such information.

Section 3 Application for Retention of Rothschild. The Company shall apply to the Court for approval of (a) this Agreement and (b) Rothschild's retention by the Company under the terms of this Agreement, (including, without limitation, the fees payable to Rothschild by the Company from the proceeds of any Transaction pursuant to Section 4 hereof and the reimbursement of the fees, disbursements and other charges of Rothschild's counsel pursuant to Section 5 hereof without the requirement that the retention of such counsel be approved by the Court), *nunc pro tunc* to the date the CCAA proceeding was commenced. The Company shall use commercially reasonable efforts to obtain such approval and authorization. The Company shall supply Rothschild and its counsel with a draft of such application and any proposed order authorizing Rothschild's retention sufficiently in advance of the filing of such application and proposed order to enable Rothschild and its counsel to review and comment thereon. Rothschild shall have no obligation to provide any services under this Agreement unless Rothschild's retention under the terms of this Agreement is approved in the manner set forth above by a final order of the Court no longer subject to appeal, rehearing, reconsideration or petition for certiorari, and which order is reasonably acceptable to Rothschild in all respects.

In agreeing to seek Rothschild's retention under the provision(s) of the CCAA, the Company acknowledges that it believes that Rothschild's general restructuring experience and expertise, its knowledge of the capital markets and its merger and acquisition capabilities will inure to the benefit of the Company, that the value to the Company of Rothschild's services hereunder derives in substantial part from that expertise and experience and that, accordingly, the structure and amount of the Recapitalization Fee, M&A Fee and New Capital Fee (each as defined below) are reasonable regardless of the number of hours to be expended by Rothschild's professionals in performance of the services provided hereunder.

Section 4 Fees of Rothschild. As compensation for the services rendered hereunder, the Company, and its successors, if any, agree that Rothschild is to receive directly from the proceeds of any Transaction, in cash in US dollars (via wire transfer or other mutually acceptable means), the following fees, and the Company will cause the counterparty to any Transaction to remit the corresponding amount directly to Rothschild, namely:

(a) A new capital fee (the "New Capital Fee") equal to the following percentages of the gross cash proceeds of any new capital raised by the Company: 1.0% for all senior and junior secured debt issued, including any senior and junior DIP financing and 3.0% for any senior or subordinated unsecured debt, equity capital or hybrid capital raised (each, a "New Capital Raise").

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Notwithstanding the above, a New Capital Fee shall not be earned with respect to any DIP financing where Bank of America has acted as lead agent or exit financing solely provided by the Company's (or the Company's parents) DIP lenders, except in the case where one or more of such lenders provides an incremental commitment above the then existing DIP commitment in which case such incremental amount shall be subject to a New Capital Fee. The New Capital Fee shall be payable upon the closing of the transaction by which the new capital is committed. For the avoidance of doubt, the term "raised" shall include the amount committed or otherwise made available to the Company whether or not such amount (or any portion thereof) is drawn down at closing or is ever drawn down and whether or not such amount (or any portion thereof) is used to refinance existing obligations of the Company.

(b) A recapitalization fee (the "Recapitalization Fee") of US\$1.5 million, payable in cash upon the substantial consummation of a Recapitalization Transaction.

(c) If the Company consummates a M&A Transaction, a M&A fee (the "M&A Fee") equal to the greater of US\$1.5 million or 1.0% of the Aggregate Consideration (as defined below) received in connection with such M&A Transaction.

In the event the Company enters into a single Transaction that constitutes both a Recapitalization Transaction and a M&A Transaction, Rothschild shall be paid the higher of the Recapitalization Fee and the M&A Fee. The Company and Rothschild acknowledge that Circuit City Stores, Inc. and the Company have entered into a separate engagement letter (the "US Engagement Letter") with Rothschild Inc. (also dated as of October 13, 2008) regarding Circuit City's retention of Rothschild Inc. in connection with potential transactions, which engagement letter contemplates an M&A Fee in connection with a transaction solely involving InterTAN, Inc. or InterTAN Canada Ltd. The Company and Rothschild agree that, to the extent that Rothschild Inc. receives an InterTAN M&A Fee (as such term is defined in the US Engagement Letter), the Company shall be under no liability to pay an M&A Fee to Rothschild pursuant to this agreement.

For purposes hereof, the term "Aggregate Consideration" shall mean the total amount of all cash plus the total value (as determined pursuant hereto) of all securities, contractual arrangements (including, without limitation, any lease arrangements or put or call agreements) and other consideration, including, without limitation, any contingent or earned consideration, paid or payable, directly or indirectly, in connection with a M&A Transaction (including, without limitation, amounts paid (i) pursuant to covenants not to compete, employment contracts, employee benefit plans, management fees or other similar arrangements with the Company which are outside of the ordinary course of business or in excess of what otherwise would be deemed to be market and which could reasonably be considered to give rise to a corresponding decrease in the consideration otherwise paid or payable; (ii) to holders of any warrants, stock purchase rights or convertible securities of the Company and to holders of any options or stock appreciation rights issued by the Company, whether or not vested). Aggregate Consideration shall also include the amount of any short-term liabilities and any long-term liabilities of the Company (including,

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without limitation, the principal amount of any indebtedness for borrowed money and capitalized leases and the full amount of any off-balance sheet financings) (x) repaid, defeased or retired, directly or indirectly, in connection with or in anticipation of a M&A Transaction (but without double counting such amounts that are paid by the Company from the proceeds of an M&A Transaction) or (y) existing on the Company's balance sheet at the time of a M&A Transaction (if such M&A Transaction takes the form of a merger, consolidation or a sale of stock or partnership interests) or assumed in connection with a M&A Transaction (if such M&A Transaction takes the form of a sale of assets). For purposes of calculating the amount of revolving credit debt in the preceding sentence, the arithmetic mean of the amount of revolving credit debt outstanding on the last day of each month during the 12 months preceding the closing of the M&A Transaction will be used. In the event such M&A Transaction takes the form of a recapitalization, restructuring, spin-off, split-off or similar transaction, Aggregate Consideration shall include the fair market value of (i) the equity securities of the Company retained by the Company's security holders following such M&A Transaction and (ii) any securities received by the Company's security holders in exchange for or in respect of securities of the Company following such M&A Transaction (all securities received by such security holders being deemed to have been paid to such security holders in such M&A Transaction). The value of securities that are freely tradable in an established public market will be determined on the basis of the last market closing price prior to the consummation of an M&A Transaction. The value of securities that are not freely tradable or have no established public market, or if the consideration consists of property other than securities, the value of such property shall be the fair market value thereof as determined in good faith by the Company and Rothschild, provided, however, that all debt securities shall be valued at their stated principal amount without applying a discount thereto. If the consideration to be paid is computed in any foreign currency, the value of such foreign currency shall, for purposes hereof, be converted into U.S. dollars at the prevailing exchange rate on the date or dates on which such consideration is payable. Aggregate Consideration shall also include the face amount of any liabilities tendered as purchase price in connection with any credit bid.

(d) To the extent the Company requests Rothschild to perform additional services not contemplated by this Agreement, such additional fees shall be mutually agreed upon by Rothschild and the Company, in writing, in advance.

The Company and Rothschild acknowledge and agree that (i) the hours worked; (ii) the results achieved and (iii) the ultimate benefit to the Company of the work performed, in each case, in connection with this engagement, may be variable, and that the Company and Rothschild have taken such factors into account in setting the fees hereunder.

Section 5 Expenses. Without in any way reducing or affecting the provisions of Exhibit A hereto, the Company shall reimburse Rothschild for its reasonable expenses incurred in connection with the performance of its engagement hereunder, and the enforcement of this Agreement, including without limitation the reasonable fees, disbursements and other charges of Rothschild's counsel. Reasonable expenses shall also include, but not be limited to, expenses

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incurred in connection with travel and lodging, data processing and communication charges, research and courier services. The Company shall promptly reimburse Rothschild for such expenses under this Section 5 upon presentation of an invoice or other similar documentation with reasonable detail.

Section 6 Indemnity. The Company agrees to the provisions of Exhibit A hereto which provide for indemnification by the Company of Rothschild and certain related persons. Such indemnification is an integral part of this Agreement and the terms thereof are incorporated by reference as if fully stated herein. Such indemnification shall survive any termination, expiration or completion of this Agreement or Rothschild's engagement hereunder.

Section 7 Term. The term of Rothschild's engagement shall extend until the substantial consummation of a Transaction. This Agreement may be terminated by either the Company or Rothschild after ninety days (90) by providing thirty (30) days advance notice in writing. If terminated, Rothschild shall be entitled to payment of any fees which are due and owing to Rothschild upon the effective date of termination and Rothschild will be entitled to reimbursement of any and all reasonable expenses described in Section 5. Termination of Rothschild's engagement hereunder shall not affect or impair the Company's continuing obligation to indemnify Rothschild and certain related persons as provided in Exhibit A. Without limiting any of the foregoing, the Recapitalization Fee, M&A Fee and/or any New Capital Fee, as the case may be, shall be payable in the event that the engagement is terminated by the Company and a Recapitalization Transaction, M&A Transaction or New Capital Raise is consummated at anytime prior to the expiration of one year after such termination, or a definitive agreement with respect thereto is executed at any time prior to one year after such termination (which definitive agreement subsequently results in the consummation of a Recapitalization Transaction, M&A Transaction or New Capital Raise, as the case may be).

Section 8 Miscellaneous.

(a) *Plan of Arrangement or Compromise.* The Company agrees that Rothschild's fees and expenses as set forth in Sections 4 and 5 hereof as well as the payments made pursuant to the reimbursement and indemnification provisions of this Agreement shall not be compromised in any plan of arrangement or compromise or other Plan that may be filed by the Company pursuant to the CCAA.

(b) *Survival, Successors & Assigns.* Sections 5 through 8 hereof, inclusive, including the provisions set forth in Exhibit A hereto, shall survive the termination or expiration of this Agreement. The benefits of this Agreement and the indemnification and other obligations of the Company to Rothschild and certain related persons contained in Exhibit A hereto shall inure to the respective successors and assigns of the parties hereto and thereto and of the indemnified parties, and the obligations and liabilities assumed in this Agreement and Exhibit A by the parties hereto and thereto shall be binding upon their respective successors and assigns.

InterTAN Canada Ltd.
As of October 13, 2008
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(c) *Benefit of Agreement; No Reliance by Third Parties.* The advice (oral or written) rendered by Rothschild pursuant to this Agreement is intended solely for the benefit and use of the Company and its professionals in considering the matters to which this Agreement relates.

(d) *Nature of Relationship.* The relationship of Rothschild to the Company hereunder shall be that of an independent contractor and Rothschild shall have no authority to bind, represent or otherwise act as agent, executor, administrator, trustee, lawyer or guardian for the Company, nor shall Rothschild have the authority to manage money or property of the Company. The parties hereto acknowledge and agree that by providing the services contemplated hereunder, Rothschild will not act, nor will it be deemed to have acted, in any managerial or fiduciary capacity whatsoever with respect to the Company or any third party including security holders, creditors or employees of the Company.

(e) *Rothschild Affiliates.* Rothschild, through the equity owners of its parent company, Rothschild North America Inc., has indirect affiliate relationships with numerous investment banking institutions located worldwide (the "Affiliated Entities"). None of the Affiliated Entities is being retained hereunder nor will any professionals or employees of the Affiliated Entities provide services to the Company in connection with the matters contemplated hereby. The Affiliated Entities are involved in a wide range of investment banking and other activities. Information that is held by the Affiliated Entities will not for any purpose be taken into account in determining Rothschild's responsibilities to the Company hereunder. None of the Affiliated Entities will have any duty to disclose to the Company or any other party, or utilize for the Company's benefit, any non-public information acquired in the course of providing services to any other person engaging in any transaction or otherwise carrying on its business.

(f) *Required Information.* For your information, Rothschild may screen the Company against various databases to verify its identity.

(g) *Public Announcements.* The Company acknowledges that Rothschild may at its option and expense, after announcement of a Transaction, place announcements and advertisements or otherwise publicize such Transaction in such financial and other newspapers and journals as it may choose, stating that Rothschild acted as financial advisor to the Company in connection with such Transaction. The Company further consents to Rothschild's public use or display of Company's logo, symbol or trademark as part of Rothschild's general marketing or promotional activities, provided such use or display is in the nature of a public record or tombstone announcement in relation to such Transaction.

(h) *CHOICE OF LAW: JURISDICTION.* THIS AGREEMENT HAS BEEN NEGOTIATED, EXECUTED AND DELIVERED AT AND SHALL BE DEEMED TO HAVE BEEN MADE IN NEW YORK, NEW YORK. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW

InterTAN Canada Ltd.
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Page 9



YORK, WITHOUT GIVING EFFECT TO SUCH STATE'S PRINCIPLES OF CONFLICTS OF LAWS. REGARDLESS OF ANY PRESENT OR FUTURE DOMICILE OR PRINCIPAL PLACE OF BUSINESS OF THE PARTIES HERETO, EACH SUCH PARTY HEREBY IRREVOCABLY CONSENTS AND AGREES THAT ANY AND ALL CLAIMS OR DISPUTES BETWEEN THE PARTIES HERETO PERTAINING TO THIS AGREEMENT OR TO ANY MATTER ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL BE BROUGHT IN ANY OF (A) ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE OF NEW YORK OR (B) THE BANKRUPTCY COURT OR ANY COURT HAVING APPELLATE JURISDICTION OVER THE BANKRUPTCY COURT. BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT. EACH PARTY HERETO HEREBY WAIVES ANY OBJECTION WHICH IT MAY HAVE BASED ON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS AND HEREBY CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT. THE COMPANY CONSENTS TO THE SERVICE OF PROCESS IN ACCORDANCE WITH NEW YORK LAW, AND AGREES THAT THE GENERAL COUNSEL OF THE COMPANY SHALL BE AUTHORIZED TO ACCEPT SERVICE ON ITS BEHALF.

(i) *Waiver of Jury Trial.* Each of the parties hereto hereby knowingly, voluntarily and irrevocably waives any right it may have to a trial by jury in respect of any claim upon, arising out of or in connection with this Agreement or any Transaction. Each of the parties hereto hereby certifies that no representative or agent of any other party hereto has represented expressly or otherwise that such party would not seek to enforce the provisions of this waiver. Each of the parties hereto hereby acknowledges that it has been induced to enter into this Agreement by and in reliance upon, among other things, the provisions of this paragraph.

(j) *Entire Agreement.* This Agreement embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No alteration, waiver, amendment, change or supplement hereto shall be binding or effective unless the same is set forth in writing signed by a duly authorized representative of each of the parties hereto.

(k) *Authority.* Each party hereto represents and warrants that it has all requisite power and authority to enter into this Agreement and Exhibit A and the transactions contemplated hereby. Each party hereto further represents that this Agreement has been duly and validly authorized by all necessary corporate action and has been duly executed and delivered by each of the parties hereto and constitutes the legal, valid and binding agreement thereof, enforceable in accordance with its terms. Rothschild will assume that any instructions, notices or requests have been properly authorized by the Company if they are given or purported to be given by, or is reasonably believed by Rothschild to be a director, officer, employee or authorized agent.

InterTAN Canada Ltd.
As of October 13, 2008
Page 10



(l) *Counterparts.* This Agreement may be executed in as many counterparts as may be deemed necessary and convenient, and by the different parties hereto on separate counterparts, each of which when so executed shall be deemed an original, but all such counterparts shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by telecopier shall be effective as delivery of a manually executed counterpart to this Agreement.

(m) *Notices.* Any notice given pursuant to, or relating to, this Agreement shall be in writing and shall be mailed or delivered by courier (a) if to the Company, at the address set forth above, Attn: General Counsel and (b) if to Rothschild, to N M Rothschild & Sons Canada Securities Limited, BCE Place, Canada Trust Tower, 161 Bay Street, Suite 3150, P.O. Box 206, Toronto, Ontario M5J 2S1, Attention: Peter Teti, and with a copy to each of (i) Rothschild Inc., 1251 Avenue of the Americas, 51st Floor, New York, New York 10020, Attention: Steven Tishman and Neil Augustine, and (ii) Rothschild Inc., 1251 Avenue of the Americas, 51st Floor, New York, New York 10020, Attention: General Counsel.

If the foregoing correctly sets forth the understanding and agreement between Rothschild and the Company, please so indicate by signing the enclosed copy of this letter, whereupon it shall become a binding agreement between the parties hereto as of the date first above written.

Very truly yours,

N M ROTHSCHILD & SONS CANADA
SECURITIES LIMITED

By: _____
Daniel Labrecque
President & CEO

ROTHSCHILD INC.

By:
Steven Tishman
Managing Director

InterTAN Canada Ltd.
As of October 13, 2008
Page 11

Accepted and Agreed to as of
the date first written above:

INTERTAN, INC., the sole shareholder of
InterTAN Canada Ltd, on behalf of InterTAN
Canada Ltd. in accordance with the power
vested in the shareholder by virtue of the
Unanimous Shareholder Declaration made as
of October 7, 2008.

By: 

Name:

Reginald D. Hedgebeth

Title

Director, Vice President and Secretary

INTERTAN, INC.

By: 

Name:

Reginald D. Hedgebeth


Title

Vice President and Secretary

354301v3

InterTAN Canada Ltd.
As of October 13, 2008
Page 11



By: 
Neil Augustine
Managing Director

Accepted and Agreed to as of
the date first written above:

INTERTAN, INC., the sole shareholder of
InterTAN Canada Ltd, on behalf of InterTAN
Canada Ltd. in accordance with the power
vested in the shareholder by virtue of the
Unanimous Shareholder Declaration made as
of October 7, 2008.

By: _____
Name:
Title

INTERTAN, INC.

By: _____
Name:
Title

354301v3

Exhibit A

TOR_P2Z:3474616.1

The Company shall indemnify and hold harmless Rothschild and its affiliates, counsel and other professional advisors, and the respective directors, officers, controlling persons, agents and employees of each of the foregoing (Rothschild and each of such other persons, an "Indemnified Party" and, collectively, the "Indemnified Parties"), from and against any losses, claims or proceedings, including, without limitation, stockholder actions, damages, judgments, assessments, investigation costs, settlement costs, fines, penalties, arbitration awards and any other liabilities, costs, fees and expenses (collectively, "Losses") (a) directly or indirectly related to or arising out of (i) oral or written information provided by the Company, the Company's employees or other agents, which either the Company or an Indemnified Party provides to any person or entity or (ii) any other action or failure to act by the Company, the Company's employees or other agents or any Indemnified Party at the Company's request or with the Company's consent, in each case in connection with, arising out of, based upon, or in any way related to this Agreement, the retention of and services provided by Rothschild under this Agreement, or any Transaction or other transaction; or (b) otherwise directly or indirectly in connection with, arising out of, based upon, or in any way related to the engagement of Rothschild under this Agreement or any transaction or conduct in connection therewith, provided that the Company shall not be required to indemnify any Indemnified Party for such Losses if and only to the extent that it is finally judicially determined by a court of competent jurisdiction that such Losses arose primarily because of the gross negligence, willful misconduct or fraud of such Indemnified Party. If multiple claims are brought against an Indemnified Party, with respect to at least one of which indemnification is permitted under applicable law and provided for under this Agreement, the Company agrees that any judgment or award against such Indemnified Party shall be conclusively deemed to be based on claims as to which indemnification is permitted and provided for, except to the extent the judgment or award expressly states that it, or any portion thereof, is based on a claim as to which indemnification is not available.

The Company shall further reimburse any Indemnified Party promptly after obtaining the necessary approval of the Court, if any, for any legal or other fees, disbursements or expenses as they are incurred (a) in investigating, preparing, pursuing or settling any action or other proceeding (whether formal or informal) or threat thereof, whether or not in connection with pending or threatened litigation or arbitration and whether or not any Indemnified Party is a party (each, an "Action") and (b) in connection with enforcing such Indemnified Party's rights under this Agreement; provided, however, that in the event and only to the extent that it is finally judicially determined by a court of competent jurisdiction that the Losses of such Indemnified Party arose primarily because of the gross negligence, willful misconduct or fraud of such Indemnified Party, such Indemnified Party will promptly remit to the Company any amounts reimbursed under this paragraph.

Upon receipt by an Indemnified Party of notice of any Action, such Indemnified Party shall notify the Company in writing of such Action, but the failure to so notify shall not relieve the Company from any liability hereunder (a) if the Company had actual notice of such Action or (b) unless and only to the extent that such failure results in the forfeiture by the Company of substantial rights and defenses. The Company shall, if requested by Rothschild, assume the defense of any such Action including the employment of counsel reasonably satisfactory to

Exhibit A - Page 2

Rothschild and will not, without the prior written consent of Rothschild, settle, compromise, consent or otherwise resolve or seek to terminate any pending or threatened Action (whether or not any Indemnified Party is a party thereto) unless such settlement, compromise, consent or termination (i) contains an express, unconditional release of each Indemnified Party from all liability relating to such Action and the engagement of Rothschild under this Agreement and (ii) does not include a statement as to, or an admission of fault, culpability or a failure to act by or on behalf of any Indemnified Party. Any Indemnified Party shall be entitled to retain separate counsel of its choice and participate in the defense of any Action in connection with any of the matters to which this Agreement relates, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (x) the Company has failed promptly to assume the defense and employ counsel or (y) the named parties to any such Action (including any impleaded parties) include such Indemnified Party and the Company, and such Indemnified Party shall have been advised by counsel that there may be one or more legal defenses available to it which are different from or in addition to those available to the Company; provided that the Company shall not in such event be responsible under this Agreement for the fees and expenses of more than one firm of separate counsel (in addition to local counsel) in connection with any such Action in the same jurisdiction.

The Company agrees that if any right of any Indemnified Party set forth in the preceding paragraphs is finally judicially determined to be unavailable (except by reason of the gross negligence, willful misconduct or fraud of such Indemnified Party), or is insufficient to hold such Indemnified Party harmless against such Losses as contemplated herein, then the Company shall contribute to such Losses (a) in such proportion as is appropriate to reflect the relative benefits received by the Company and its creditors and stockholders, on the one hand, and such Indemnified Party, on the other hand, in connection with the transactions contemplated hereby, and (b) if (and only if) the allocation provided in clause (a) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (a) but also the relative fault of the Company and such Indemnified Party; provided, that, in no event shall the aggregate contribution of all such Indemnified Parties exceed the amount of fees received by Rothschild under this Agreement. Benefits received by Rothschild shall be deemed to be equal to the compensation paid by the Company to Rothschild in connection with this Agreement. Relative fault shall be determined by reference to, among other things, whether any alleged untrue statement or omission or any other alleged conduct relates to information provided by the Company or other conduct by the Company (or the Company's employees or other agents) on the one hand or by Rothschild on the other hand.

The Company also agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Company for or in connection with advice or services rendered or to be rendered by any Indemnified Party pursuant to this Agreement, the transactions contemplated hereby or any Indemnified Party's actions or inactions in connection with any such advice, services or transactions except for and only to the extent that such Losses of the Company are finally judicially determined by a court of competent jurisdiction to have arisen primarily because of the gross negligence, willful misconduct or fraud of such Indemnified Party in connection with any such advice, actions, inactions or services. The Company shall use its best efforts to require, as a condition of the

Exhibit A - Page 3

Company releasing from liability any creditor or other party-in-interest in the case, that such creditor or other party-in-interest release all Indemnified Parties from all claims or other liabilities directly or indirectly in connection with, arising out of, based upon, or in any way related to the engagement of Rothschild under this Agreement or any transaction or conduct in connection therewith, provided that the Company shall not be required to obtain such release with respect to the gross negligence, willful misconduct or fraud of any Indemnified Party.

The rights of the Indemnified Parties hereunder shall be in addition to any other rights that any Indemnified Party may have at common law, by statute or otherwise. Except as otherwise expressly provided for in this Agreement, if any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall all remain in full force and effect and shall in no way be affected, impaired or invalidated. The reimbursement, indemnity and contribution obligations of the Company set forth herein shall apply to any modification of this Agreement and shall remain in full force and effect regardless of any termination of, or the completion of any Indemnified Party's services under or in connection with, this Agreement.

This is Exhibit "G" referred to in the
Affidavit of **Mark J. Wong**, sworn
before me on January 12, 2009.



Sachin Kanabar
A Commissioner for Taking Affidavits

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

iv Trademark of The Bank of Nova Scotia

THIS DOCUMENT CONTAINS SECURITY FEATURES - SEE REVERSE

Scotiabank *Not to exceed Forty Two Thousand Two Hundred & Thirty Seven Hong Kong Dollars* **736843/58172**

MOLSON PARK DR AND HWY 400
BARRIE ON L4N 9H5

PAY TO THE ORDER OF *ASIA - HK INVESTMENT LIMITED* **DATE** *January 8, 2009*

SUM OR *Forty Two Thousand Two Hundred & Thirty Seven Hong Kong Dollars* **AMOUNT** *42,237.00 HK DOLLARS*

IN COVER *DEBIT BNS - INTERNATIONAL BANKING DIVISION, TORONTO # 52712* **CURRENCY**

TO *Hong Kong & Shanghai Banking Corp* **AUTH NO.** *1167* **THE BANK OF NOVA SCOTIA**

1 Queen's Rd. Central **AUTH NO.** *M0515* **AUTHORIZED OFFICER** *Z. MacLeod*

Hong Kong **AUTHORIZED OFFICER**

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

Court File No: 08-CL-7841

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF INTERTAN CANADA LTD. AND
TOURMALET CORPORATION

APPLICANTS

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

AFFIDAVIT OF MARK J. WONG
(Sworn January 12, 2009)

OSLER, HOSKIN & HARCOURT LLP
P.O. Box 50
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Toronto, ON M5X 1B8

Edward Sellers (LSUC #30110F)
Tel: (416) 862-5959

Jeremy Dacks (LSUC #41851R)
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Marc Wasserman (LSUC #44066M)
Tel: (416) 862-4908

F# 1113457