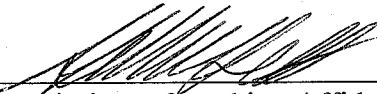


**THIS IS EXHIBIT "H" TO THE AFFIDAVIT
OF IAN YOUNG SWORN ON THIS 17th DAY
OF FEBRUARY, 2009.**



A commissioner for taking Affidavits, etc.
GILLIAN S.G. SCOTT

Dacks, Jeremy

From: Pasparakis, Orestes [opasparakis@ogilvyrenault.com]
Sent: Friday, February 13, 2009 3:52 PM
To: Dacks, Jeremy; Wasserman, Marc
Cc: Forte, Mario; Morley, Kevin J.
Subject: DIP Facility

You has asked that the DIP Lenders set out their understanding of the current state of the DIP Facility. We attach same for your assistance. It is without prejudice to or waiver of any other rights or remedies of the DIP Lenders but encapsulates an outline of their understanding at this time.

Regards.

OGILVY RENAULT LLP / S.E.N.C.R.L., s.r.l.

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2/15/2009

The DIP Facility

1. Section 2.01(a)(vi) of the DIP Agreement provides that from and after January 17, 2009, the aggregate outstanding amount of Credit Extensions to InterTAN (*i.e.*, Canadian loans) cannot exceed the lower of: (a) the Canadian Total Commitments; or (b) the amount of the Borrowing Base minus outstanding Credit Extensions in favour of the Domestic Borrowers (*i.e.*, U.S. Borrowers).
2. The DIP Agreement defines "Borrowing Base" as an aggregate of:
 - (a) Eligible Credit Card Receivables;
 - (b) Eligible Inventory; and
 - (c) Eligible Letters of Credit;

less certain reserves.
3. There is currently no Eligible Inventory and Eligible Credit Card Receivables since the Domestic Borrowers are being liquidated. Amongst other things, the current inventory is not "merchantable and readily saleable to the public in the ordinary course of business".
4. In addition, the inventory is encumbered by the Agency Agreement which provides for rights of the liquidator to sell (and obtain title to the inventory) against payments on future dates as sales are completed.
5. As there is no Borrowing Base, no loans are being advanced and the liquidation expenses in the U.S. are being addressed by further Court order in the U.S.
6. You will also note that:
 - (a) the U.S. Commitments are terminated;
 - (b) the definition and consequences of a Material Adverse Effect under the DIP Agreement;
 - (c) the conditions of section 4.02 of the DIP Agreement;
 - (d) the fact that default interests rates are applicable.
7. What is proposed by the DIP Lenders is to now create (or re-create, if you will) a Canadian borrowing base against which Canadian loans can be rolled over for a specified period of time, up to a specified limit and with appropriate reporting of that borrowing base to the DIP Lenders, rather than continue what is in essence merely discretionary advances at the present time.