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

FIFTH REPORT OF THE MONITOR

ALVAREZ & MARSAL CANADA ULC

FEBRUARY 19, 2009

INTRODUCTION

1. By order of this Honourable Court dated November 10, 2008, InterTAN Canada Ltd. ("InterTAN") and Tourmalet Corporation ("Tourmalet" and together with InterTAN the "Applicants") obtained protection from their creditors under the *Companies' Creditors Arrangement Act* ("CCAA"). These proceedings are referred to herein as the "CCAA Proceedings".

2. Pursuant to the Initial Order in the CCAA Proceedings, Alvarez & Marsal Canada ULC ("A&M") was appointed monitor of the Applicants during these CCAA proceedings (the "Monitor").

3. Concurrently with the commencement of the CCAA Proceedings, the Applicants' ultimate parent company, Circuit City Stores, Inc. ("Circuit City") and certain of its U.S. affiliates (collectively the "U.S. Debtors") commenced proceedings under Chapter 11, Title 11 of the *United States Code* (the "U.S. Bankruptcy Code"). These proceedings are referred to herein as the "Chapter 11 Proceedings".

4. In connection with the Applicants' application for protection under the CCAA, A&M provided this Honourable Court with an initial report in its capacity as proposed monitor (the "Initial Report") dated November 10, 2008.

5. The Monitor delivered its first report dated November 24, 2008 (the "First Report") in connection with the "come back" hearing that was returnable on November 26, 2008 under paragraph 52 of the Initial Order. On November 26, 2008, the Court adjourned the "come back" hearing to December 5, 2008.

6. The Monitor delivered its second report dated December 3, 2008 (the "Second Report") in connection with the hearing on December 5, 2008. At that hearing, this Honourable Court granted an extension of the stay of proceedings under the CCAA and approval of a sale process for the business and assets of InterTAN. The Order issued on November 10, 2008 was also amended and restated on December 5, 2008. A copy of the Amended and Restated Initial Order is attached hereto as Appendix "A" (the "Initial Order").

7. In light of certain developments concerning the Second Amendment to the Senior Secured Super-Priority Debtor-in Possession Credit Agreement (the "Second Amendment"), which developments are discussed in detail in the Monitor's third report dated January 10, 2009 (the "Third Report"), the Court issued an interim Order on December 24, 2008 prohibiting the distribution of proceeds of the Applicants' property and any intercompany advances from the Applicants to any of its U.S. affiliates pending a return date before the Court on January 14, 2009 (the "Status Quo Order").

8. The Monitor delivered the Third Report in connection with the motion returnable January 14, 2009, in which the Monitor sought directions from the Court regarding the fair and appropriate way to address the impact of the Second Amendment on the Applicants and their stakeholders. On January 23, 2009, the Court issued an Order extending the Status Quo Order until further Order of the Court and ordering an accounting of the claims of the DIP Lenders (as defined in paragraph 35 of the Initial Order) in the CCAA Proceedings.

9. The Monitor delivered its fourth report dated February 6, 2009 (the "Fourth Report") in connection with the Applicants' motion returnable February 10, 2009 to approve a process for the submission of pre-filing claims against the Applicants (the "Pre-Filing Claims Process"). On February 10, 2009, the Court granted an Order approving the Claims Process proposed by the Applicants (the "Pre-Filing Claims Process Order").

10. The purpose of this report (the "Fifth Report") is to provide the Court and the Applicants' stakeholders with a status report on the proceedings and to address certain matters in connection with the Applicants' motion returnable February 23, 2009. In particular, the Fifth Report provides this Honourable Court with an update in respect of the following:

- cash flow results relative to forecast;
- the Pre-Filing Claims Process; and
- DIP financing matters, including a proposed amendment to the Senior Secured Super-Priority Debtor-in Possession Credit Agreement (the "DIP Facility").

TERMS OF REFERENCE

11. In preparing this report, the Monitor has relied upon unaudited financial information, InterTAN's books and records, financial information prepared by InterTAN and its advisors, and discussions with management of InterTAN and its advisors. The Monitor has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the information and, accordingly, the Monitor expresses no opinion or other form of assurance on the information contained in this report.

12. Certain of the information referred to in this report consists of forecasts and/or projections. An examination or review of financial forecasts and projections, as outlined in the Canadian Institute of Chartered Accountants Handbook, has not been performed. Future-oriented financial information referred to in this report was prepared based on management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable,

actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.

13. The Monitor has requested that management bring to its attention any significant matters that were not addressed in the course of its specific inquiries. Accordingly, this report is based solely on the information (financial or otherwise) made available to the Monitor.

14. All references to dollars in this report are in Canadian currency unless otherwise noted.

BACKGROUND

15. InterTAN is a leading specialty retailer of consumer electronics in Canada and is the operating Canadian subsidiary of the major U.S.-based electronics retailer Circuit City. Tourmalet is a Nova Scotia unlimited liability company that is an indirect, wholly-owned subsidiary of Circuit City. Tourmalet is a non-operating holding company whose sole asset is the preferred stock of InterTAN Inc., which is the sole shareholder of InterTAN. Circuit City is the Applicants' ultimate parent company. Further background to InterTAN, Tourmalet and Circuit City is contained in the materials filed relating to the Initial Order, including the Affidavit of Mark Wong sworn November 10, 2008. These documents, together with other information regarding the CCAA Proceedings, including the Initial Order and supporting affidavit, have been posted by the Monitor on its website at www.alvarezandmarsal.com/intertan.

16. On November 10, 2008, the U.S. Debtors commenced the Chapter 11 Proceedings in the United States Bankruptcy Court for the Eastern District of Virginia (the "U.S. Bankruptcy Court"). The U.S. Debtors have subsequently commenced a liquidation of their assets and property in the Chapter 11 Proceedings. A hyperlink to information concerning the U.S. Debtors' restructuring and liquidation can be found at www.kccllc.net.

17. Additional background information can be found in the Initial Report, the First Report, the Second Report, the Third Report and the Fourth Report.

CASH FLOW RESULTS RELATIVE TO FORECAST

18. InterTAN's cash receipts and disbursements for the 13-week period ended February 8, 2009 are summarized below and are compared to the cash flow forecast previously filed with this Honourable Court (the "CCAA Cash Flow Forecast"):

(Unaudited, in $CDN 000's)	For the Weeks Ended February 8, 2009		
	Actual	**Forecast**	**Variance**
Receipts	**236,091**	**235,185**	**906**
Disbursements			
Merchandise	(128,690)	(120,463)	(8,227)
Payroll and payroll taxes	(27,978)	(29,351)	1,373
Operating disbursements	(38,258)	(38,491)	233
Restructuring costs	(7,438)	(8,021)	583
Other	(4,197)	(4,124)	(73)
Total Disbursements	**(206,561)**	**(200,450)**	**(6,111)**
Net Cash Flow	**29,530**	**34,735**	**(5,205)**

19. Receipts for the 13-week period were consistent with the CCAA Cash Flow Forecast with only a small cumulative positive variance of approximately $906,000 during the period.

20. Disbursements for the 13-week period were approximately $6.1 million greater than the CCAA Cash Flow Forecast. Management attributes this variance primarily to efforts to properly manage the timing of inventory receipts (where requirements for accelerated payment terms and associated delivery lead times have meant that InterTAN has had to pay for certain inventory faster than forecast), partially offset by lower store-level payroll expenses as costs have been reduced as a result of small sales declines relative to the prior year.

21. InterTAN's ending cash balance as at February 8, 2009 was approximately $2.6 million. This ending cash balance takes into account the cumulative net repayment by InterTAN of $32.5 million in respect of amounts borrowed under the DIP Facility.

22. Overall, during the 13-week period ended February 8, 2009, InterTAN experienced a net negative cash flow variance of approximately $5.2 million relative to the CCAA Cash Flow Forecast. However, as described in the First Report, InterTAN's opening combined net cash and loan position, before letters of credit ("LC's"), at the commencement of these proceedings was approximately $6.5 million better than forecast ($5.6 million of cash in bank, plus $832,000 lower opening loan position than forecast), primarily because management had anticipated that there would be no funds in the Company's bank accounts as at the date of the CCAA filings.

23. As described in the First Report, at the time the CCAA Cash Flow Forecast was prepared, management anticipated that InterTAN's LC requirements would be met through the LC facility available to Circuit City as part of the DIP Facility and that InterTAN's LC's would not be included in its availability calculations under the DIP Facility. However, as management and InterTAN's advisors worked with the DIP Lenders and Circuit City to calculate the opening loan position as at the date of the CCAA filings, it was determined that InterTAN's LC's would be included in its overall loan position for purposes of calculating borrowing availability under the DIP Facility. InterTAN's outstanding LC's as at the filing date were approximately $7.7 million.

24. InterTAN's opening and closing combined net cash, loan and LC positions for the 13-week period ended February 8, 2009 are summarized below and are compared to the comparable period of the CCAA Cash Flow Forecast:

(Unaudited, in $CDN 000's)	For the Weeks Ended February 8, 2009		
	Actual	**Forecast**	**Variance**
Opening position			
Cash in bank (a)	5,613	-	5,613
Loans (b)	(42,500)	(43,332)	832
Letters of credit (c)	(7,650)	-	(7,650)
Combined net opening position	(44,537)	(43,332)	(1,205)
Activity during the period			
Net cash flow (see above) (d)	29,530	34,735	(5,205)
Net change in LC's (e)	(3,863)	-	
Net DIP repayments (f)	(32,500)	(34,736)	
Closing position			
Cash in bank (a+d-f)	2,643	-	2,643
Loans and LC's (b+c-e-f)	(13,787)	(8,596)	(5,191)
Combined net closing position	**(11,144)**	**(8,596)**	**(2,548)**

25. In summary, through the end of the 13 weeks following the date of the Initial Order (February 8, 2009), the CCAA Cash Flow Forecast had projected a net loan position of $8,596,000, the LC's being included in the U.S. borrowings and no cash in InterTAN's bank accounts. In fact, as at February 8, 2009, InterTAN had approximately $2.6 million in its bank accounts and had a balance of $13.8 million outstanding under the DIP Facility after including $3.8 million of LC's. On a comparable basis, InterTAN's cash/loan position (after netting out its cash on hand and excluding the $3.8 million of LC's that were not contemplated by the CCAA Cash Flow Forecast) would have been a loan/negative position of approximately $7.4 million, as compared to a forecast loan position of $8.6 million.

26. With combined closing loan and LC balances of approximately $13.8 million (U.S.$11.2 million), InterTAN had substantial availability on its current allocation from the DIP

Facility of U.S.$50 million as at February 8, 2009. Further, it also had cash on hand of approximately $2.6 million.

PRE-FILING CLAIMS PROCESS

27. In accordance with the Pre-Filing Claims Process Order:

(a) On February 10, 2009, the Monitor posted the Notice to Creditors and the Proof of Claim, Instruction Letter, and a copy of the Pre-Filing Claims Process Order (the "Claims Package") to its website at www.alvarezandmarsal.com/intertan;

(b) on February 12, 2009, the Applicants placed a Notice to Creditors in the Globe and Mail (National Edition) and a French language translation of the notice in La Presse; and

(c) on February 13, 2009, the Applicants, with the assistance of the Monitor, mailed a Claims Package to each known creditor of the Applicants at the last recorded address as set out in the books and records of the Applicants.

28. Pursuant to the Pre-Filing Claims Process Order, any person and/or entity asserting a Pre-Filing Claim against one or both of the Applicants must set out its aggregate Pre-Filing Claim in a Proof of Claim and deliver the Proof of Claim to the Applicants so that it is received no later than 5:00 p.m. (Toronto time) on March 16, 2009 (the "Claims Bar Date").

29. Pursuant to the Pre-Filing Claims Process Order, certain parties are not required to file a Proof of Claim under the Pre-Filing Claims Process, including:

(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

(e) Joint Venture Managers in respect of deposits provided to InterTAN pursuant to joint venture agreements.

30. Any person and/or entity who does not deliver a Proof of Claim in respect of a Pre-Filing Claim by the Claims Bar Date, or such later date as the Applicants, the Monitor and such person and/or entity may agree, is forever barred from asserting such Pre-Filing Claim against either of the Applicants and the Pre-Filing Claim shall be forever extinguished.

DIP FINANCING

(i) Background

31. The Initial Order authorized InterTAN to enter into the DIP Facility as a co-borrower with certain of the U.S. Debtors. As previously reported to the Court, the DIP Facility was subsequently amended on two occasions.

32. In its present form, the DIP Facility contemplates that the Chapter 11 Proceedings would result in a going concern sale of the U.S. Debtors' business concurrently with a going concern sale of the Applicants' business. However, the U.S. Debtors have been unable to complete a going concern sale transaction for the sale of their business.

33. On January 16, 2009, the United States Bankruptcy Court entered an "Order Approving Agency Agreement, Store Closing Sales and Related Relief" (the "U.S. Liquidation Order") that authorized the U.S. Debtors to commence liquidation sales at the U.S. Debtors' remaining stores. The liquidating agents under the approved agency agreement commenced the liquidation sales on January 17, 2009.

(ii) Effect of the U.S. Debtors' Liquidation on DIP Facility

34. Under the DIP Facility, for the period from November 10, 2008 through January 16, 2009, InterTAN's credit availability was a function of a borrowing base calculation based on InterTAN's accounts receivable and inventory. However, from and after January 17,

2009, InterTAN's credit availability is based upon excess availability in the U.S. Debtors' borrowing base, and there is no independent margining of the assets of InterTAN.

35. The U.S. Debtors' borrowing base is a function of eligible credit card receivables, inventory and letters of credit. The DIP Lenders take the position that, as a result of the U.S. Debtors' liquidation, there are currently no eligible receivables or letters of credit and that the eligible inventory is encumbered by the liquidation agents under the liquidation agency agreement approved by the U.S. Bankruptcy Court. As a result, the DIP Lenders have communicated their view that, since there is no borrowing base to support loans to InterTAN, they are under no obligation to provide additional funds to InterTAN pursuant to the DIP Facility.

36. As a result of their liquidation, the U.S. Debtors do not need access to further credit under the DIP Facility. However, InterTAN continues to require credit to fund its working capital and for general corporate purposes as it advances towards a sale of its business in the CCAA Proceedings.

37. In the absence of an amendment to the DIP Facility, the U.S. Debtors' liquidation could be a default under the DIP Facility. An amendment to the DIP Facility is therefore necessary to address this default and allow the U.S. Debtors to pay down their obligations under the DIP Facility in an orderly manner. Moreover, the DIP Lenders require the U.S. Debtors and InterTAN to enter into a proposed amendment to the DIP Facility in order for InterTAN to continue to access credit under the DIP Facility. A copy of the proposed amendment to the DIP Facility agreed to by the parties (the "Third Amendment") is attached as Appendix "B".

(iii) The Third Amendment

38. The Monitor understands that changes to the DIP Facility are required in order to ensure that InterTAN is able to continue to draw funds under the DIP Facility. In particular, InterTAN requires a direct lending commitment that is not dependent on a borrowing base consisting of property of the U.S. Debtors.

39. For approximately three weeks, the Applicants, the U.S. Debtors and the DIP Lenders have been in discussions with a view to settling the terms of the proposed amendment to the DIP Facility to accommodate these changes. The Monitor was kept apprised of these discussions and had the opportunity to comment on drafts of the Third Amendment.

40. The Third Amendment is the end product of these discussions. It has been agreed to by InterTAN, the U.S. Debtors and the DIP Lenders.

41. The key provisions of the Third Amendment that relate to the Applicants are as follows:

(i) the Third Amendment is effective as of January 17, 2009;

(ii) the "Maturity Date" of the DIP Facility with respect to InterTAN is amended from November 10, 2009 to the earlier of:

(a) the consummation of a sale of InterTAN's business; or

(b) June 30, 2009,

unless InterTAN's obligations are otherwise accelerated in accordance with the terms of the DIP Facility;

(iii) the DIP Facility is amended such that the April 30, 2009 maturity date of the loans to the U.S. Debtors will not result in a termination of the DIP Facility with respect to InterTAN;

(iv) InterTAN's availability under the DIP Facility is no longer dependent upon a borrowing base calculation involving the assets and property of the U.S. Debtors; instead, InterTAN has an independent commitment from the DIP Lenders based upon a margining of its own assets;

(v) the maximum credit available to InterTAN under the DIP Facility is reduced from U.S.$50 million to U.S.$40 million, and aggregate outstanding LC's may not exceed U.S.$20 million (within the U.S.$40 million limit);

(vi) the amount of the credit extensions to InterTAN shall not be required to be repaid by the U.S. Debtors or from the proceeds of the sale of their assets until such time as all of the U.S. Debtors' obligations under the DIP Facility have been repaid or cash collateralized;

(vii) certain of the performance covenants set out in the DIP Facility are amended such that the Applicants' total cash expenditures may not be greater than 110% of the projected total amount set forth in the Applicants' rolling 13-week cash flow forecasts; this covenant is to be confirmed weekly pursuant to a variance report to be prepared on a four-week trailing basis;

(viii) certain of the performance covenants with respect to the U.S. Debtors have been amended such that the U.S. Debtors are permitted to use funds only in accordance with a "Wind Down Budget" (to February 28, 2009) produced in accordance with the U.S. liquidation sale. The U.S. Debtors' cumulative total cash expenditures may not exceed 100% of the projected cumulative total amount set forth in the Wind Down Budget. The U.S. Debtors' failure to comply with this provision would constitute a default under the DIP Facility, which could impair the availability of loans to InterTAN; and

(ix) the Third Amendment expressly states that the effectiveness of the Third Amendment shall not be deemed to be an approval by this Honourable Court of the Second Amendment.

42. As part of the negotiations concerning the Third Amendment, the Applicants requested relief from the cross-default provisions in the DIP Facility. In particular, InterTAN requested that the cross-default provisions of the DIP Facility not apply to any default that results from the inability of the U.S. Debtors and the DIP Lenders to agree on a Wind Down Budget beyond February 28, 2009; however, the DIP Lenders did not agree to grant this accommodation.

(iv) Approval of the Third Amendment

43. The Third Amendment provides that a condition precedent to the effectiveness of the amendment is the approval of both the U.S. Bankruptcy Court and this Honourable Court.

44. On February 12, 2009, the U.S. Debtors filed a motion for the approval of the Third Amendment by the U.S. Bankruptcy Court (the "U.S. Amendment Motion"). On February 17, 2009, the Third Amendment was approved in the Chapter 11 Proceedings. A copy of the Order of the U.S. Bankruptcy Court approving the Third Amendment is attached as Appendix "C".

45. The Applicants have brought the present motion to seek this Court's approval of the Third Amendment.

THE MONITOR'S COMMENTS ON THE THIRD AMENDMENT

46. The Monitor is mindful that, if the Third Amendment is approved, the ability of InterTAN to borrow further funds under the DIP Facility will be conditional on the U.S. Debtors' compliance with the requirement that their cumulative total cash expenditures not exceed the projected cumulative total amount set forth in the Wind Down Budget. This is a condition that is not within the control of InterTAN and therefore presents a risk to InterTAN's ability to access the DIP Facility. However, the Monitor has been provided with Circuit City's variance reporting for the first three weeks of its going-out-of-business sale ("GOB Sale") (through the week ended February 7, 2009) which shows a positive variance of approximately 21% relative to cumulative disbursements, therefore, the experience to-date has been that Circuit City has complied with the covenant. Also, the net cash flow through February 7, 2009 generated from Circuit City's GOB sale has substantially exceeded forecast.

47. In addition, the existing Wind Down Budget is a projection to and including February 28, 2009. Any further availability under the DIP Facility is contingent upon a subsequent Wind Down Budget being approved by the DIP Lenders. To the extent that there is no agreement on further cash flows in the U.S. subsequent to February 28, 2009 or a court order mandating approval of a further Wind Down Budget, the DIP Facility would be in

default and InterTAN could be at risk of not being able to draw further funds under the DIP Facility. However, the Monitor understands that Circuit City advised the U.S. Court at the February 17, 2009 hearing to approve the Third Amendment that it anticipates that it will have generated sufficient net proceeds to fully pay its direct borrowings under the DIP Facility and will have cash in excess of 103% of the face amount of its outstanding LC obligations on or before the week ending February 28, 2009. As such, the Monitor understands that Circuit City expects that it will be able to agree on a further Wind Down Budget with the DIP Lenders beyond February 28, 2009. If these targets are met, it appears that the likelihood of any cross default resulting from a default by the U.S. Debtors is relatively low.

48. Further, the Monitor notes the following additional considerations in connection with the Third Amendment:

(i) a direct credit commitment to InterTAN that is independent of the U.S. Debtors' borrowing base is necessary to enable InterTAN to have continued availability under the DIP Facility;

(ii) InterTAN is satisfied that the June 30, 2009 Maturity Date should be sufficient to allow it to continue its efforts to complete a going concern sale of its business. If a sale has not been completed by that date, InterTAN would be required to negotiate a further amendment to the DIP Facility or obtain alternate financing;

(iii) as set out in the cash flow forecast through the week ending June 28, 2009 (the "Extended Forecast"), which was submitted by the Applicants in connection with the present motion, InterTAN's maximum projected borrowings are $32.3 million during the week of June 7, 2009; this suggests that the maximum availability of U.S.$40 million is sufficient to enable InterTAN to fund its operations and the costs of the CCAA Proceedings through to the end of June 2009; and

(iv) InterTAN has indicated that it expects to be able to maintain cash expenditures within 110% of the Extended Forecast.

49. For the foregoing reasons, the Monitor recommends that the Third Amendment be approved by this Honourable Court with the specific clarification that the approval thereof is not an approval of the Second Amendment, all as sought in the Applicants' draft order for their motion returnable February 23, 2009.

All of which is respectfully submitted at Toronto, Ontario this 19th day of February, 2009.

ALVAREZ & MARSAL CANADA ULC
in its capacity as Court appointed Monitor of
InterTAN Canada Ltd. and Tourmalet Corporation

Per: _____

Name: Douglas R. McIntosh
Title: Managing Director
I/We have the authority to bind the corporation

APPENDIX "A"

Court File No. 08-CL-7841

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	MONDAY, THE 10th DAY
	)	
JUSTICE MORAWETZ	)	OF NOVEMBER, 2008

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

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Mark J. Wong sworn November 10, 2008 and the Exhibits thereto (the "Wong Affidavit") and on hearing the submissions of counsel for the Applicant, Alvarez & Marsal Canada ULC, Bank of America, N.A. (Canadian Branch) in its capacity as a lender and Canadian agent (the "Canadian Agent"), and on reading the consent of Alvarez & Marsal Canada ULC to act as the Monitor.

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicants are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan") between, *inter alia*, the Applicants and one or more classes of its secured and/or unsecured creditors as it deems appropriate.

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"). Subject to this and any further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of its business (the "Business") and Property. The Applicants shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "Assistants") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the Applicants shall be directed to continue to utilize the central cash management system currently in place as described in the Wong Affidavit or replace it with another substantially similar central cash management system as necessary to facilitate the DIP Facility approved herein (the "Cash Management System") and that any present or future bank providing the Cash Management System shall not be under any

obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. THIS COURT ORDERS that, subject to availability under the DIP Facility (as hereinafter defined), the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

(a) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges;

(b) payments in respect of the key employee retention program (the "KERP") as described in the Wong Affidavit;

(c) amounts owing for goods or services actually supplied to the Applicants prior to the date of this order:

(i) by Purolator Courier and other logistics or supply chain providers;

(ii) by custom brokers; and

(iii) with the consent of the Monitor, up to $2 million, by other North American suppliers, including payments in respect of outstanding documentary credits or deposits, if, in the opinion of the Applicants, the supplier is critical to the Business and ongoing operations of the Applicants;

(d) goods and services actually supplied to the Applicants prior to the date of this order, including payments in respect of outstanding documentary credits or deposits, by trade vendors and suppliers outside of North America;

(e) the JV Manager Share to the JV Managers (both as defined in the Wong Affidavit);

(f) all amounts related to servicing warranties and honouring gift cards and reward and loyalty programs issued before or after the date of this Order; and

(g) any other costs and expenses that are deemed necessary for the preservation of the Property and/or the Business by the Applicants with the consent of the Monitor.

7. THIS COURT ORDERS that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicants following the date of this Order.

8. THIS COURT ORDERS that the Applicants shall remit, in accordance with legal requirements, or pay:

(a) subject to availability under the DIP Facility, all outstanding and future wages, salaries, employee and pension benefits, vacation pay, bonuses and reasonable expenses payable to employees payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

(b) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(c) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(d) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

9. THIS COURT ORDERS that until such time as an Applicant delivers a notice in writing to repudiate a real property lease in accordance with paragraph 11(c) of this Order (a "Notice of Repudiation"), such Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between such Applicant and the relevant landlord from time to time ("Rent"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any arrears relating to the period commencing from and including the date of this Order shall also be paid. Upon delivery of a Notice of Repudiation, such Applicant shall pay all Rent due for the notice

period stipulated in paragraph 11(c) of this Order, to the extent that Rent for such period has not already been paid.

10. THIS COURT ORDERS that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date; (b) to grant no security interests, trusts, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. THIS COURT ORDERS that the Applicants shall, subject to such covenants as may be contained in the DIP Facility (as hereinafter defined), (other than sub-section 11(c) which shall apply regardless of the covenants contained in the DIP Facility), have the right to:

(a) permanently or temporarily cease, downsize or shut down any of their businesses or operations and to dispose of redundant or non-material assets not exceeding $500,000 in any one transaction or $1,000,000 in the aggregate, subject to paragraph 11(c), if applicable;

(b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deems appropriate on such terms as may be agreed upon between the Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;

(c) subject to paragraph 11A herein, in accordance with paragraphs 12 and 13, vacate, abandon or quit the whole but not any part of any leased premises and/or repudiate any real property lease and any ancillary agreements relating to any leased premises, on not less than fourteen (14) days' notice in writing to the relevant landlord on such terms as may be agreed upon between the Applicants and such landlord, or failing such agreement, to deal with the consequences thereof in the Plan;

(d) subject to paragraph 11A herein, repudiate such of their arrangements or agreements of any nature whatsoever, whether oral or written, as the Applicants deem appropriate on such terms as may be agreed upon between the Applicants and such counter-parties, or failing such agreement, to deal with the consequences thereof in the Plan;

(e) pursue all avenues of refinancing and offers for material parts of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing or any sale (except as permitted by subparagraph (a), above); and

(f) apply to this Court for such approval, vesting or other Orders as may be necessary to consummate sale transactions.

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "Restructuring").

11A THIS COURT ORDERS that the Applicants shall obtain the approval of the Monitor prior to the Applicants repudiating or disclaiming any material agreements, which shall include real property leases, in accordance with paragraphs 11(c) or 11(d) herein. If the Monitor does not provide such approval, the Applicants shall be entitled to apply to the Court on no less than seven (7) days' notice to the Monitor and the co-contracting party for an order that the agreement be repudiated or disclaimed.

12. THIS COURT ORDERS that the Applicants shall provide each of the relevant landlords with notice of an Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicants on at least two (2) days' notice to such landlord and any such secured creditors. If an Applicant repudiates the lease governing such leased premises in accordance with paragraph 11(c) of this Order, it shall

not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in paragraph 11(c) of this Order), and the repudiation of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

13. THIS COURT ORDERS that if a Notice of Repudiation is delivered, then: (a) during the notice period prior to the effective time of the repudiation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the repudiation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicant of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

14. THIS COURT ORDERS that any Charge (as defined below) created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interest in such real property leases.

15. THIS COURT ORDERS that notwithstanding anything to the contrary in any agreement providing for the liquidation of assets from any leased premises, but subject to: (a) any written agreement between an Applicant, a liquidator and any landlord; or (b) a further Order of this Court:

(i) the Applicants shall at all times abide by and be subject to the terms of all real property leases (collectively, the "Leases") and shall cause any liquidator to abide by the terms of the Leases, and the Applicant and the liquidator shall obtain the applicable landlord's approval for all signage and promotional advertising for sales to be conducted by the liquidator pursuant to the agreement with the Applicant in any of the leased premises to the extent otherwise not permitted by the applicable Lease; and

(ii) neither the Applicants nor any liquidator shall augment the merchandise in any leased premises unless otherwise permitted by the applicable Lease or approved by the applicable landlord.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

16. THIS COURT ORDERS that, with the exception of the remedies (other than any steps to seize, possess or foreclose, or such other like remedy, on its own behalf or through any agent on the Property) pursuant to the DIP Facility and the terms of this or any other Order of this Court, until and including December 9, 2008, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

17. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicants to carry on any business which the Applicants are not lawfully entitled to carry on, (ii) exempt the Applicants from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

18. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal

right, contract, agreement, licence or permit in favour of or held by the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

19. THIS COURT ORDERS that during the Stay Period, no Person (other than the Applicants) having any agreement, arrangement, licence or lease with any dealer of the Applicants in connection with the supply of goods or services or the lease of premises at the retail locations at which products of the Applicants are sold, may take any Proceeding or exercise any right (including but not limited to a right to terminate, accelerate, suspend, modify or cancel) under such agreement, arrangement, licence or lease solely as a result of the filing of this Application or the making of this Order.

CONTINUATION OF SERVICES

20. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants, and that the Applicants shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

21. THIS COURT ORDERS that, notwithstanding anything else contained herein, no creditor of the Applicants shall be under any obligation after the making of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

22. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.5(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

23. THIS COURT ORDERS that InterTAN hereby indemnifies its directors and officers from all claims, costs, charges and expenses relating to the failure of InterTAN, after the date hereof, to make payments of the nature referred to in subparagraphs 8(a), 8(b), 8(c) and 8(d) of this Order which they sustain or incur by reason of or in relation to their respective capacities as directors and/or officers of InterTAN except to the extent that, with respect to any officer or director, such officer or director has actively participated in the breach of any related fiduciary duties or has been grossly negligent or guilty of wilful misconduct.

24. THIS COURT ORDERS that the directors and officers of InterTAN shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall not exceed an aggregate amount of $19.3 million, as security for the indemnity provided in paragraph 23 of this Order. The Directors' Charge shall have the priority set out in paragraphs 44 and 46 herein.

25. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) InterTAN's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 23 of this Order.

APPOINTMENT OF MONITOR

26. THIS COURT ORDERS that Alvarez & Marsal Canada ULC is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property and the Applicants' conduct of the Business with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations.

27. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicants' receipts and disbursements;

(b) liaise with the Applicants' financial advisor and investment bankers with respect to all matters relating the Property, the Business and such other matters as may be relevant to the proceedings herein;

(c) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(d) assist the Applicants, in their dissemination, to the Canadian Agent and its counsel on a regular basis of financial and other information as agreed to between the Applicants and the Canadian Agent;

(e) advise the Applicants and their financial advisor in the preparation of the Applicants' cash flow statements and reporting required by the Canadian Agent, which information shall be reviewed with the Monitor and delivered to the Canadian Agent and its counsel;

(f) advise the Applicants in their development of the Plan and any amendments to the Plan;

(g) assist the Applicants, to the extent required by the Applicants, with the establishment of a claims process and the holding and administering of creditors' meetings for voting on the Plan;

(h) have full and complete access to the books, records and management, employees, advisors and investment bankers of the Applicants and to the Business and the Property to the extent required to perform its duties arising under this Order;

(i) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

(j) consider, and if deemed advisable by the Monitor, prepare a report and assessment on the Plan; and

(k) perform such other duties as are required by this Order or by this Court from time to time.

28. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

29. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder and any other similar legislation and regulations of other provinces or territories in which the Applicants carry on business operations (the "Environmental

Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

30. THIS COURT ORDERS that that the Monitor shall provide any creditor of the Applicants and the Canadian Agent with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

31. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

32. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a regular basis and, in addition, the Applicants are hereby authorized to pay to the Monitor and counsel to the Applicants, retainers in the amounts of $100,000 and $200,000 respectively to be held by them as security for payment of their respective fees and disbursements outstanding from time to time

33. THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal

counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

34. THIS COURT ORDERS that the Monitor, counsel to the Monitor, the financial advisors to InterTAN and the Applicants' counsel shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of $2 million, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 44 and 46 hereof.

DIP FINANCING

35. THIS COURT ORDERS that the Applicant InterTAN Canada Ltd. ("InterTAN") is hereby authorized and empowered to obtain funding and borrow and become a joint and several obligor with other borrower affiliates which have filed petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code (the "U.S. Chapter 11 Debtors") under a credit facility between InterTAN and the U.S. Chapter 11 Debtors, as joint and several borrowers, and the Canadian Agent and other lenders (collectively, the "DIP Lenders") on the terms and subject to the conditions set forth in the Senior Secured, Super Priority, Debtor-in-Possession Credit Agreement among, InterTAN (as Canadian Borrower), the U.S. Chapter 11 Debtors and the DIP Lenders dated as of November 7, 2008 (the "DIP Facility"), attached as Exhibit "K" to the Wong Affidavit, in order to finance InterTAN's and the other loan parties' working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility by InterTAN shall not exceed US$60 million unless permitted by further Order of this Court or otherwise permitted under the DIP Facility.

36. THIS COURT ORDERS that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and Definitive Documents, guarantees and other documents, including confirmations of existing liens and charges in favour of the DIP Lenders, as are contemplated by the DIP Facility or as may be reasonably required by the DIP Lenders pursuant to the terms thereof (collectively, with the DIP Facility the "Definitive Documents"), and the Applicants are hereby authorized and

directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lenders under and pursuant to the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

37. THIS COURT ORDERS that the Canadian Agent on behalf of the DIP Lenders shall be entitled to the benefit of and is hereby granted a charge (the "DIP Lenders' Charge") on the Property, which charge shall not exceed the aggregate amount owed to the DIP Lenders under the DIP Facility. The DIP Lenders' Charge shall have the priority set out in paragraphs 44 and 46 hereof.

38. THIS COURT ORDERS that subject to the provisions of this Order:

(a) the Canadian Agent may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lenders' Charge or any of the Definitive Documents;

(b) upon the occurrence of an event of default under the Definitive Documents, the Canadian Agent, upon five days notice to the Applicants and the Monitor (or such shorter period as may be ordered by the Court), may exercise any and all of its rights and remedies on behalf of the DIP Lenders against the Applicants or the Property under or pursuant to the Definitive Documents and the DIP Lenders' Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the DIP Lenders to the Applicants against the obligations of the Applicants to the DIP Lenders under the Definitive Documents, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants, and upon the occurrence of an event of default under the terms of the DIP Facility, the Canadian Agent shall be entitled to seize and retain proceeds from the sale of the Property and the cash flow of the Applicants to repay amounts owing to the DIP Lenders in accordance with the DIP Facility and the Definitive Documents and

the DIP Lenders' Charge, but subject to the priorities as set out in paragraphs 44 and 46 of this Order; and

(c) the foregoing rights and remedies of the DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

39. THIS COURT ORDERS that, notwithstanding anything contained in the Definitive Documents to the contrary, other than with respect to credit extensions made directly to the Applicants, the Canadian Agent and the DIP Lenders shall not, without first providing five days' notice to the Applicants and the Monitor (or such shorter period as may be ordered by the Court), apply any amounts received in the Blocked Accounts of InterTAN or any collateral of InterTAN to payment of any of the obligations of the U.S. debtor affiliates of the Applicants under the DIP Facility.

40. THIS COURT ORDERS that, notwithstanding anything contained in the Definitive Documents to the contrary, the Canadian Agent and the DIP Lenders shall not, without first providing five days' notice to the Applicants and the Monitor (or such shorter period as may be ordered by the Court), cease making extensions of credit to InterTAN pursuant to the terms of the DIP Facility unless (a) InterTAN has failed to make any payments to the DIP Lenders under the DIP Facility; (b) InterTAN does not have borrowing availability for such extensions of credit as required by the DIP Facility; (c) there is any variation or change to this Order which is materially adverse to the DIP Lenders without the Canadian Agent's consent; or (d) InterTAN is declared bankrupt.

41. THIS COURT ORDERS AND DECLARES that the DIP Lenders shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the DIP Facility.

42. THIS COURT ORDERS that the Applicants are hereby authorized and empowered to obtain and make inter-company loans from and to its U.S. Chapter 11 debtor affiliates as described in paragraph 99 of the Wong Affidavit.

43. THIS COURT ORDERS that, notwithstanding anything contained in the Definitive Documents to the contrary:

(a) unsecured creditors of the Applicants (including, without limitation, all landlord creditors and creditors with restructuring claims under paragraph 11 of this Order, but not including claims by corporate entities related to the Applicants) shall be entitled to the benefit of and are hereby granted a charge (the "Canadian Creditor Charge") on the Property in the amount of $25 million to secure claims owing by the Applicants to such creditors. To the extent that the Directors' Charge is not realized upon or utilized by the beneficiaries of the Directors' Charge after the passage of a claims bar date in respect of claims against the beneficiaries of the Directors' Charge, then, subject to a reserve for claims (including a reserve for reasonable expenses and defence costs in respect of such claims) (the "Reserve") against the beneficiaries of the Directors' Charge that remain outstanding pending the final determination of such claims, the Canadian Creditor Charge shall increase dollar for dollar by the amount of the Directors' Charge, less the Reserve, until there are no claims against the beneficiaries of the Directors' Charge that have been advanced and remain outstanding, at which time any unutilized portion of the Reserve shall also be used to increase the Canadian Creditor Charge dollar for dollar, meaning that the maximum amount of the Canadian Creditor Charge shall be $44.3 million; and

(b) the key employees referred to in the KERP shall be entitled to the benefit and are hereby granted a charge (the "KERP Charge") on the Property in the amount of $838,000 to secure amounts owing to such key employees under the KERP.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

44. THIS COURT ORDERS that the priorities of the Directors' Charge, the Administration Charge, the KERP Charge, the Canadian Creditor Charge and the DIP Lenders' Charge, as among them, shall be as follows:

First – Administration Charge;

Second – Directors' Charge;

Third – KERP Charge;

Fourth – DIP Lenders' Charge in an amount equal to the obligations of InterTAN under the Definitive Documents with respect to direct advances made to InterTAN thereunder, which amount shall not exceed US$60 million plus accrued and unpaid interest, allowable costs and expenses payable by InterTAN, provided that, an amount equal to the sum of the Administration Charge, the Directors' Charge, the KERP Charge and the Canadian Creditor Charge shall be reserved and remain in the possession of or be transferred to the Applicants before and when the Canadian Agent or the DIP Lenders apply any amounts received in the Blocked Accounts of InterTAN to obligations of the U.S. debtor affiliates of the Applicants under the DIP Facility. Pursuant to the terms of and in accordance with the DIP Facility and this Order, nothing herein shall prevent the Canadian Agent or the DIP Lenders from applying amounts received in the Blocked Accounts of InterTAN or that they otherwise receive, to repay direct advances made by the DIP Lenders to InterTAN;

Fifth – Canadian Creditor Charge; and

Six – DIP Lenders' Charge.

45. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge, the Administration Charge, the KERP Charge, the Canadian Creditor Charge, or the DIP Lenders' Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

46. THIS COURT ORDERS that each of the Directors' Charge, the Administration Charge, the KERP Charge, the Canadian Creditor Charge and the DIP Lenders' Charge shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (collectively,

"Encumbrances") in favour of any Person, other than claims which may be asserted under Sections 81.3, 81.4, 81.5 and 81.6 of the BIA or other statutory liens and deemed trusts which cannot by law be subordinated to the Charges.

47. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicants also obtain the prior written consent of the Monitor, the Canadian Agent and the beneficiaries of the Directors' Charge, the Administration Charge and the KERP Charge, or further Order of this Court.

48. THIS COURT ORDERS that the Directors' Charge, the Administration Charge, the KERP Charge, the Canadian Creditor Charge, the Definitive Documents and the DIP Lenders' Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") and/or the DIP Lenders thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Definitive Documents shall create or be deemed to constitute a breach by an Applicant of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from InterTAN entering

into the DIP Facility, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

(c) the payments made by the Applicants pursuant to this Order or the Definitive Documents, the granting of the Charges and the entering into by the Applicants of the Definitive Documents, do not and will not constitute fraudulent preferences, fraudulent conveyances, oppressive conduct, settlements, transactions under value or other challengeable, voidable or reviewable transactions under any applicable law.

SERVICE AND NOTICE

49. THIS COURT ORDERS that the Applicants shall, within ten (10) business days of the date of entry of this Order, send a copy of this Order to the Applicants' landlords or property managers and known creditors, other than employees and creditors to which the Applicants owe less than $10,000, at their addresses as they appear on the Applicants' records, and shall promptly send a copy of this Order (a) to all parties filing a Notice of Appearance in respect of this Application, and (b) to any other interested Person requesting a copy of this Order, and the Monitor is relieved of its obligation under Section 11(5) of the CCAA to provide similar notice, other than to supervise this process.

50. THIS COURT ORDERS that the Applicants and the Monitor be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

51. THIS COURT ORDERS that the Applicants, the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, in accordance with the E-filing protocol of the Commercial

List to the extent practicable, and the Monitor may post a copy of any or all such materials on its website at www.alvarezandmarsal.com/intertan.

GENERAL

52. THIS COURT ORDERS that a further hearing in this Application shall be held at 9:00 a.m. on November 26, 2008 or such alternate date as this Court may fix, at which time this Order may be supplemented or otherwise varied. The Applicants and the Monitor shall serve their materials for this further hearing on all parties who serve a Notice of Appearance on the Applicants and the Monitor, such materials to be served no later than 3 days prior to the date scheduled for the further hearing.

53. THIS COURT ORDERS that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

54. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.

55. 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 of America, including the United States Bankruptcy Court for the Eastern District of Virginia, to give effect to this Order and to assist the Applicants, the Monitor and their respective 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 Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

56. THIS COURT ORDERS that the Applicants and the Monitor all be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative

body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

57. THIS COURT ORDERS that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

58. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard Time on the date of this Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

DEC 0 5 2008

PER / PAR: TV

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

Court File No: 08-CL-7851

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER
(December 5, 2008)

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

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

Jeremy Dacks (LSUC #41851R)
Tel: (416) 862-4923

Marc Wasserman (LSUC #44066M)
Tel: (416) 862-4908

F# 1113457

APPENDIX "B"

THIRD AMENDMENT TO SENIOR SECURED, SUPER-PRIORITY, DEBTOR-IN-POSSESSION CREDIT AGREEMENT

This Third Amendment to Senior Secured, Super-Priority Debtor-in-Possession Credit Agreement (the "Third Amendment") is made as of the 17th day of January, 2009 by and among

CIRCUIT CITY STORES, INC., as debtor and debtor-in-possession, a corporation organized under the laws of the State of Virginia having a place of business at 9950 Mayland Drive, Richmond, Virginia, as Lead Borrower for the Borrowers, being

said CIRCUIT CITY STORES, INC., as debtor and debtor-in-possession;

CIRCUIT CITY STORES WEST COAST, INC., as debtor and debtor-in-possession, a corporation organized under the laws of the State of California having a place of business at 680 S. Lemon Avenue, Walnut, California 91789;

Circuit City Stores PR, LLC, as debtor and debtor-in-possession, a limited liability company organized under the laws of the Commonwealth of Puerto Rico having a place of business at San Patricio Plaza 3369, Local C-02 St Ebano & Tabonuco, Guaynabo, Puerto Rico;

InterTAN Canada Ltd., as a debtor company, a corporation organized under the laws of the Province of Ontario, Canada, having its head office at 279 Bayview Drive, Barrie, Ontario, Canada L4M 4W5;

the LENDERS party hereto;

BANK OF AMERICA, N.A., as Administrative Agent and Collateral Agent for the Lenders and the Issuing Bank, a national banking corporation, having its principal place of business at 100 Federal Street, Boston, Massachusetts 02110;

BANK OF AMERICA (acting through its Canada branch), as Canadian Administrative Agent and Canadian Collateral Agent for Lenders having a Canadian Commitment, a banking corporation carrying on business under the *Bank Act* (Canada), having a place of business at 200 Front Street West, Toronto; Ontario, Canada M5V 3L2;

GENERAL ELECTRIC CAPITAL CORPORATION, N.A., as Co-Collateral Agent;

WELLS FARGO RETAIL FINANCE, LLC, as Syndication Agent; and

GENERAL ELECTRIC CAPITAL CORPORATION and JPMORGAN CHASE BANK, N.A., as Co-Documentation Agents;

in consideration of the mutual covenants herein contained and benefits to be derived herefrom.

WITNESSETH

WHEREAS, the Lead Borrower and the other Borrowers, the Agents, the Lenders, the Issuing Bank, the Co-Collateral Agent, the Syndication Agent, the Co-Documentation Agents have entered into a Senior Secured, Super-Priority Debtor-in-Possession Credit Agreement dated as of November 12, 2008 (as amended, modified or supplemented prior to the date hereof, the "DIP Credit Agreement"); and

WHEREAS, the Lead Borrower and the other Borrowers, the Agents, the Lenders, the Issuing Bank, the Co-Collateral Agent, the Syndication Agent, and the Co-Documentation Agents have agreed to amend certain provisions of the Credit Agreement, on the terms and conditions set forth herein.

NOW THEREFORE, it is hereby agreed as follows:

1. Definitions: All capitalized terms used herein and not otherwise defined shall have the same meaning herein as in the DIP Credit Agreement.

2. Amendments to Article I. The provisions of Article I of the DIP Credit Agreement are hereby amended as follows:

   a. The definitions of "Excess Availability", "Liquidation", and "Permitted Overadvance" are hereby deleted in their entirety.

   b. The definition of "Budget" is hereby deleted in its entirety and the following substituted in its stead:

      "Budget" means the thirteen (13) week cash flow of the Canadian Loan Parties, furnished from time to time pursuant to Section 5.01(b)(ii) hereof, in substance reasonably satisfactory to the Required Lenders, reflecting on a line-item basis, among other things, anticipated sales, cash receipts, inventory levels, expenditures, the Canadian Borrowing Base and Canadian Availability for the subject period, which Budget may be amended and modified solely with the written consent of the Required Lenders.

   c. The definition of "Canadian Availability" is hereby deleted in its entirety and the following substituted in its stead:

      "Canadian Availability" means (a) the lesser of (i) $40,000,000 or (ii) the Canadian Borrowing Base, minus (b) the aggregate unpaid balance of Credit Extensions made to, or for the account of the Canadian Borrower.

   d. The definition of "Maturity Date" is hereby deleted in its entirety and the following substituted in its stead:

"Maturity Date" means (i) with respect to the Obligations of the Domestic Borrowers, the earlier of (A) the termination or completion of the Sale (as defined in the Agency Agreement) or (B) April 30, 2009, and (ii) with respect to the Canadian Liabilities, the earlier of (A) the consummation of a sale of the Canadian Loan Parties or substantially all of their assets, or (B) June 30, 2009.

e. The definition of "Other Carve Out Amounts" is hereby deleted in its entirety and the following substituted in its stead:

"Other Carve Out Amounts" means the "Carve Out" as defined in the Final Borrowing Order (as amended in connection with the Third Amendment).

f. The definition of "Reported Fee Accruals" is hereby deleted in its entirety and the following substituted in its stead:

"Reported Fee Accruals" means Professional Fees and Expenses which have been incurred, accrued or invoiced (and remain unpaid), in an amount not to exceed 110% of the aggregate amount set forth in the line items for "Debtors' Professional Fees" and "Committee's Professional Fees" in the Wind Down Budget. Any such Professional Fees and Expenses which have been incurred, accrued or invoiced (and remain unpaid) in excess of 110% of the amount thereof set forth in the Wind Down Budget shall not constitute "Reported Fee Accruals."

g. The definition of "Termination Date" is hereby deleted in its entirety and the following substituted in its stead:

"Termination Date" shall mean the earliest to occur of (i) with respect to the Domestic Borrowers, (A) the Maturity Date applicable to the Domestic Borrowers, (B) the date on which the maturity of the Loans are accelerated and the Commitments are terminated in accordance with Section 7.01, and (C) the Consummation Date, and (ii) with respect to the Canadian Borrower, (A) the Maturity Date applicable to the Canadian Borrower, (B) the date on which the maturity of the Loans are accelerated and the Commitments are terminated in accordance with Section 7.01, and (C) the Consummation Date. Any references to the Termination Date in this Agreement shall mean and refer to the Termination Date applicable to the Domestic Borrowers and/or the Canadian Borrower, as the case may be.

h. The following new definitions are hereby added in appropriate alphabetical order:

"2009 Agency Agreement" means the Agency Agreement between, among others, certain of the Borrowers and Great American Group WF, LLC, Hudson Capital Partners, LLC, SB Capital Group, LLC and Tiger Capital Group, LLC dated January 15, 2009 for the disposition of Inventory at certain of the Domestic Borrowers' stores, as in effect on the Third Amendment Effective Date.

"Loan to Value Ratio" as defined in Section 6.14 hereof.

"Required Consenting Lenders" shall mean, at any time, Lenders (other than Delinquent Lenders) having Commitments at least equal to 60% of the Total Commitments outstanding (excluding the Commitments of any Delinquent Lender), or if the Commitments have been terminated, Lenders (other than Delinquent Lenders) whose percentage of the outstanding Credit Extensions (after settlement and repayment of all Swingline Loans by the Lenders) aggregate not less than 60% of all such Credit Extensions (excluding the Credit Extensions of a Delinquent Lender).

"Third Amendment" means that certain Third Amendment to Senior Secured, Super-Priority, Debtor-in-Possession Credit Agreement dated as of January 17, 2009 by, among others, the Borrowers, the Agents, and the Required Lenders.

"Third Amendment Effective Date" means January 17, 2009.

"Wind Down Budget" means the six (6) week cash flow projections for the Domestic Loan Parties, substantially in the form of the initial Wind Down Budget annexed to the Third Amendment as Schedule I, and any subsequent cash flow projections approved by the Required Lenders. Any Wind Down Budget approved by the Required Lenders may thereafter be amended and modified solely with the written consent of the Required Lenders.

"Wind Down Certificate" shall have the meaning given to such term in Section 5.01(b)(iii) hereof.

"Wind Down Variance Report" means a report prepared by the Lead Borrower's management reflecting on a line-item basis the Domestic Loan Parties' actual performance compared to the Wind Down Budget for the immediately preceding week and on a cumulative basis for the period after the Third Amendment Effective Date and the percentage variance of the Domestic Loan Parties' actual results from those reflected in the then extant Wind Down Budget, along with management's explanation of such variance. In preparing such Wind Down Variance Report, the Lead Borrower may aggregate expenses for "Corporate Office Costs During GOB" and "DC & Service Costs During GOB" (rather than reporting such expenses on a line item basis for each such location as reflected in the initial Wind Down Budget) for (a) payroll and taxes, (b) rents and utilities, and (c) general operating expenses.

3. Amendment to Article II. The provisions of Article II of the DIP Credit Agreement are hereby amended as follows:

a. Section 2.01(a) of the DIP Credit Agreement is hereby deleted in its entirety and the following substituted in its stead:

"(a) Each Domestic Lender severally and not jointly with any other Lender, agrees, upon the terms and subject to the conditions herein set forth, to extend credit to the Domestic Borrowers, and each Canadian Lender severally and not jointly with any other Lenders, agrees upon the terms and subject to the conditions herein set forth, to extend credit to the Canadian Borrower on a revolving basis, in the form of Revolving Loans and Letters of Credit, subject to the following limitations:

(i) Subject to Sections 2.01(a)(iii), (a)(iv), (a)(vi), (a)(vii), 2.21(c) and 5.11 hereof, the aggregate outstanding amount of the Credit Extensions shall not at any time exceed the lower of (x) (A) prior to February 16, 2009, $900,000,000 (of which $850,000,000 shall be Domestic Commitments and $50,000,000 shall be Canadian Commitments), (B) from February 16, 2009 through February 27, 2009, $265,000,000 (of which $225,000,000 shall be Domestic Commitments and $40,000,000 shall be Canadian Commitments), and (C) thereafter, $140,000,000 (of which $100,000,000 shall be Domestic Commitments and $40,000,000 shall be Canadian Commitments); and (y) such lesser amount to which the Total Commitments have then been decreased by the Borrowers pursuant to Section 2.17 hereof.

(ii) No Lender shall be obligated to issue any Letter of Credit, and Letters of Credit shall be available from the Issuing Bank, subject to the ratable participation of all Lenders, as set forth in Section 2.07; provided that no Letters of Credit shall be issued or extended for the account of the Domestic Loan Parties on or after the Third Amendment Effective Date. The Borrowers will not at any time permit (A) the aggregate Letter of Credit Outstandings with respect to the Domestic Loan Parties to exceed (i) the aggregate Letter of Credit Outstandings with respect to the Domestic Loan Parties as of the Third Amendment Effective Date, minus (ii) all amounts paid by the Issuing Bank with respect to such Letters of Credit minus (iii) the maximum stated amount of all such Letters of Credit which expire in accordance with their terms or which are returned undrawn, minus (iv) the amount of any reduction in the maximum stated amount of any such Letter of Credit, or (B) the aggregate Letter of Credit Outstandings with respect to the Canadian Loan Parties to exceed $20,000,000.

(iii) The Credit Extensions made to the Domestic Borrowers shall not, as to any Domestic Lender, exceed such Lender's Domestic Commitment.

(iv) The Credit Extensions made to the Canadian Borrower shall not as to any Canadian Lender, exceed the lesser of such Lender's Canadian Commitment or such Canadian Lender's Commitment Percentage of the Canadian Borrowing Base.

(v) The Loans made to and the Letters of Credit issued on behalf of, the Canadian Borrower by the Canadian Lenders may be either in $ or CD$, at the option of the Canadian Borrower, as herein set forth.

(vi) The aggregate outstanding amount of Credit Extensions to the Canadian Borrower shall not at any time exceed the lower of (A) the Canadian Total Commitments or (B) the amounts available under the Canadian Borrowing Base.

(vii) The aggregate outstanding amount of Credit Extensions to the Domestic Borrowers shall not at any time exceed the Domestic Total Commitments.

(viii) No Lender shall be obligated to make any Credit Extension (A) to the Domestic Borrowers in excess of such Lender's Domestic Commitment, or (B) to the Canadian Borrower in excess of such Lender's Canadian Commitment.

(ix) Subject to all of the other provisions of this Agreement, Revolving Loans that are repaid may be reborrowed by the Domestic Borrowers or Canadian Borrower, as applicable, prior to the applicable Termination Date.

(x) Notwithstanding anything to the contrary contained in this Agreement, upon payment in full of all Revolving Loans made to the Domestic Borrowers, no additional Revolving Loans shall thereafter be made to the Domestic Borrowers and all Commitments of the Domestic Lenders to make such Revolving Loans shall be terminated. Without limiting the foregoing, except as set forth in Section 2.23(m), the Lenders shall have no obligation to fund any items included in the Wind Down Budget which have been incurred, accrued or invoiced prior to, and remain unpaid at the time of, the payment in full of all Revolving Loans made to the Domestic Borrowers (to the extent and as contemplated in the Wind Down Budget).

b. Section 2.02 of the Credit Agreement is hereby deleted in its entirety and the following substituted in its stead:

SECTION 2.02 Intentionally Omitted.

c. Section 2.04 of the Credit Agreement is hereby amended by adding the following new clause (e) at the end thereof:

"(e) Notwithstanding anything to the contrary set forth in this Section 2.04 or elsewhere in this Agreement, on and after the Third Amendment Effective Date, all Loans made to the Domestic Borrowers shall only be Prime Rate Loans."

d. Section 2.05 of the Credit Agreement is hereby deleted in its entirety and the following substituted in its stead:

SECTION 2.05 Overadvances. The Agents and the Lenders have no obligation to make any Loan or to provide any Letter of Credit if an Overadvance or a Canadian Overadvance would result. The Canadian Agent may, in its reasonable discretion, make Permitted Canadian Overadvances to the Canadian Borrower without the consent of the Lenders and each Lender shall be bound

thereby. Any Permitted Canadian Overadvances may constitute Swingline Loans. The making of any Permitted Canadian Overadvance is for the benefit of the Canadian Borrower; such Permitted Canadian Overadvances constitute Revolving Loans and Obligations. The making of any such Permitted Canadian Overadvances on any one occasion shall not obligate the Canadian Agent, or any Lender to make or permit any Permitted Canadian Overadvances on any other occasion or to permit such Permitted Canadian Overadvances to remain outstanding.

e. Section 2.06(b) of the Credit Agreement is hereby amended (i) by deleting "(B) for Permitted Overadvances or Permitted Canadian Overadvances, as applicable" in the fourth line thereof and by substituting "(B) for Permitted Canadian Overadvances" in its stead, (ii) by deleting "(other than Permitted Overadvances or Permitted Canadian Overadvances, as applicable)" in the twelfth line thereof and by substituting "(other than Permitted Canadian Overadvances)" in its stead, and (iii) by deleting "(other than Permitted Overadvances)" in the seventeenth line thereof.

f. Section 2.07(a) of the Credit Agreement is hereby deleted in its entirety and the following substituted in its stead:

"(a) Upon the terms and subject to the conditions herein set forth, the Lead Borrower on behalf of the Domestic Borrowers and the Canadian Borrower for itself, may request the Issuing Bank or the Canadian Agent in the case of the Canadian Borrower, at any time and from time to time after the date hereof and (x) with respect to the Domestic Borrowers, until the Third Amendment Effective Date, and (y) with respect to the Canadian Borrower, prior to the Termination Date, to issue or to cause to be issued, and subject to the terms and conditions contained herein, the Issuing Bank or Canadian Agent in the case of the Canadian Borrower shall issue or cause to be issued, for the account of the relevant Borrower one or more Letters of Credit; provided that no Letter of Credit shall be issued if after giving effect to such issuance (i) the aggregate Letter of Credit Outstandings with respect to the Domestic Loan Parties shall exceed (A) the aggregate Letter of Credit Outstandings with respect to the Domestic Loan Parties as of the Third Amendment Effective Date, minus (B) all amounts paid by the Issuing Bank with respect to such Letters of Credit, minus (C) the maximum stated amount of all such Letters of Credit which expire in accordance with their terms or which are returned undrawn, minus (D) the amount of any reduction in the maximum stated amount of any such Letter of Credit, (ii) the aggregate Letter of Credit Outstandings with respect to the Canadian Loan Parties shall exceed $20,000,000, or (iii) the limitations set forth in Section 2.10(a) would be exceeded; and provided, further, that no Letter of Credit shall be issued (A) if the Issuing Bank shall have received notice from the Administrative Agent or the Canadian Agent, as applicable, or the Required Lenders that the conditions to

such issuance have not been met, (B) if any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the Issuing Bank from issuing such Letter of Credit, or any Applicable Law binding on the Issuing Bank or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the Issuing Bank shall prohibit, or request that the Issuing Bank refrain from, the issuance of letters of credit or acceptances generally or such Letter of Credit in particular or shall impose upon the Issuing Bank with respect to such Letter of Credit any restriction, reserve or capital requirement (for which the Issuing Bank is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the Issuing Bank any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the Issuing Bank in good faith deems material to it (for which the Issuing Bank is not otherwise compensated hereunder), (C) the issuance of such Letter of Credit would violate one or more policies of the Issuing Bank applicable to letters of credit generally, (iii) a default of any Lender's obligations to fund hereunder exists or any Lender is at such time a Delinquent Lender or Deteriorating Lender hereunder, unless the Issuing Bank has entered into arrangements satisfactory to the Issuing Bank with the Borrowers or such Lender to eliminate the Issuing Bank's risk with respect to such Lender."

g. Section 2.17(a) of the Credit Agreement is hereby deleted in its entirety and the following substituted in its stead:

"(a) On February 16, 2009, the Domestic Commitments shall be automatically and permanently reduced to $225,000,000, without any further action on the part of the Agents, the Lenders or the Borrowers. On February 28, 2009, the Domestic Commitments shall be automatically and permanently further reduced to $100,000,000, without any further action on the part of the Agents, the Lenders or the Borrowers. Such reductions shall be applied ratably to the Domestic Commitments of each Lender. At the effective time of any such reduction, the Domestic Borrowers shall pay to the Administrative Agent for application as provided herein (i) all Commitment Fees accrued on the amount of the Domestic Commitments so reduced through the date thereof, and (ii) subject to the provisions of Section 2.23(m), any amount by which the Credit Extensions outstanding on such date exceed the amount to which the Domestic Commitments are to be reduced effective on such date (and, if, after giving effect to the prepayment in full of all outstanding Loans such Credit Extensions have not been so reduced, deposit cash into the applicable Cash Collateral Account in an amount equal to 103% of the Letters of Credit Outstanding to the extent necessary in order that the Credit Extensions do not exceed the Domestic Commitments as so reduced), in each case pro rata based on the amount prepaid."

h. The provisions of Section 2.17(e) of the Credit Agreement are hereby deleted in their entirety.

i. Section 2.20(a) of the Credit Agreement is hereby deleted in its entirety and the following substituted in its stead:

"(a) (i) Intentionally Omitted.

(ii) If at any time the amount of the Credit Extensions to the Canadian Borrower exceeds the lower of (i) the then amount of the Canadian Total Commitments, and (ii) the amounts available under the Canadian Borrowing Base, including, without limitation, as a result of one or more fluctuations in the exchange rate of the CD$ against the dollar, the Canadian Borrower will immediately upon notice from the Administrative Agent prepay such Loans in an amount necessary to eliminate such excess.

(iii) Subject to Section 5.11 hereof, if at any time the amount of the Credit Extensions to the Domestic Borrowers exceeds the then amount of the Domestic Total Commitments, the Domestic Borrowers will immediately upon notice from the Administrative Agent prepay such Loans in an amount necessary to eliminate such excess.

(iv) Notwithstanding anything in this Agreement or the Wind Down Budget to the contrary, the amount of the outstanding Credit Extensions to the Canadian Borrower shall not be required to be repaid by the Domestic Borrowers or from the proceeds from the disposition or liquidation of their assets until such time as all Domestic Obligations (other than Domestic Obligations arising from Canadian Liabilities) have been paid in full and/or cash collateralized.

Without in any way limiting the foregoing provisions, the Administrative Agent shall, weekly or more frequently in the Administrative Agent's sole discretion, make the necessary Dollar Equivalent calculations to determine whether any such excess exists on such date."

j. Section 2.23 of the Credit Agreement is hereby amended by adding the following new clause (m) at the end thereof:

(m) Notwithstanding anything to the contrary herein contained, the "Ending Cash Balance" reflected in the initial Wind Down Budget (adjusted to reflect the actual cash and not the amounts projected in such Wind Down Budget, and increased by the amount of the Credit Extensions to the Canadian Borrower outstanding on January 24, 2009) shall be deposited in the Cash Collateral Account established for the Domestic Borrowers referred to in this Agreement as the "Circuit City Cash Collateral Account" as collateral for the Letter of Credit Outstandings related to the Domestic Borrowers and the Canadian Liabilities, *provided* that, to the extent that expenses included in the initial Wind Down Budget are not paid at the times projected in the Wind Down Budget but are required to be paid on or

before February 28, 2009, such portion of the "Ending Cash Balance" so deposited in the Cash Collateral Account shall be transferred by the Collateral Agent, upon the request of the Lead Borrower, to the Lead Borrower's disbursement account for the payment of such expenses; *provided* further that the Collateral Agent shall not be obligated to so release or transfer funds in the Cash Collateral Account, if, after giving effect thereto, less than $10,000,000 shall remain on deposit in the Cash Collateral Account. In connection with any such request, the Lead Borrower shall contemporaneously certify to the Collateral Agent the expenses to be paid with any amounts so transferred. In no event shall the Collateral Agent or the Lenders have any obligation to release any amounts in the Cash Collateral Account after February 28, 2009 whether for the purpose of funding any items included in the Wind Down Budget which have been incurred, accrued or invoiced prior to, and remain unpaid, or otherwise. From and after March 1, 2009 any amounts in the Cash Collateral Account (whether deposited prior to or after March 1, 2009) may not be used by the Loan Parties, except (i) as the Lead Borrower, the Collateral Agent and the Required Consenting Lenders may agree, (ii) in accordance with a further order of the US Bankruptcy Court, or (iii) to reimburse the Issuing Bank for any amounts drawn and paid on account of such Letters of Credit or in payment of any Canadian Liabilities; *provided* that the amounts in the Cash Collateral Account shall first be utilized to cash collateralize and repay the Letter of Credit Outstandings related to the Domestic Borrowers prior to payment on account of the Canadian Liabilities, and further *provided* that the right of the Loan Parties to seek an order from the Bankruptcy Court to utilize the amounts at any time on deposit in the Cash Collateral Account shall not be deemed to constitute a modification or waiver of, or extension of time set forth in, any provision of this Agreement, the Final Borrowing Order, or any other Loan Document which requires the Loan Parties to cash collateralize and/or repay the Letters of Credit Outstanding or other Obligations, each of which provisions remain in full force and effect as written.

4. Amendment to Article III. The provisions of Article III of the DIP Credit Agreement are hereby amended as follows:

   a. Section 3.04 of the DIP Credit Agreement is hereby amended by inserting "Except for transactions evidenced by the 2009 Agency Agreement" at the beginning thereof.

   b. Section 3.09 of the DIP Credit Agreement is hereby amended by inserting "To the extent set forth in the Budget and the Wind Down Budget" at the beginning thereof.

   c. Section 3.11 of the DIP Credit Agreement is hereby amended by adding "Wind Down Budgets," after "Budgets," in the second line thereof.

5. Amendment to Article IV. The provisions of Article IV of the DIP Credit Agreement are hereby amended by deleting Section 4.02(e) in its entirety and by substituting the following in its stead:

> "(e) Wind Down Certificate; Canadian Borrowing Base Certificate. The Administrative Agent shall have received the most recently required Wind Down Certificate or Canadian Borrowing Base Certificate, as applicable, with each such Wind Down Certificate or Borrowing Base Certificate, as applicable, including schedules as required by this Agreement.

6. Amendments to Article V. The provisions of Article V of the DIP Credit Agreement are hereby amended as follows:

a. Section 5.01 of the DIP Credit Agreement is hereby deleted in its entirety and the following substituted in its stead:

SECTION 5.01 Financial Statements and Other Information.

(a) The Borrowers will furnish to the Administrative Agent for further distribution to the Lenders, promptly after the same become publicly available, copies of all reports on Form 8-K filed by the Lead Borrower with the Securities and Exchange Commission, or any Governmental Authority succeeding to any or all of the functions of said Commission, or with any national securities exchange, as the case may be.

(b) The Borrowers will furnish to the Administrative Agent (for further distribution to the Lenders) and the Co-Collateral Agent:

(i) On Wednesday of each week (or, if Wednesday is not a Business Day, on the next succeeding Business Day), (A) a Variance Report, and (B) a Wind Down Variance Report; and

(ii) On the 10th day of each calendar month (or, if such day is not a Business Day, on the next succeeding Business Day), an updated Budget; and

(iii) Daily, a certificate substantially in the form of Exhibit D-1 (a "Wind Down Certificate"), certified as complete and correct in all material respects on behalf of the Lead Borrower by a Financial Officer of the Lead Borrower, (a) showing (i) the Cost Value of Merchandise (as each of such terms are defined in the 2009 Agency Agreement) as of the close of business on the immediately preceding day, (ii) the daily sales tracking sheet showing gross proceeds relating to Merchandise sales under the Agency Agreement as of the close of business on the immediately preceding day, (iii) the aggregate outstanding amount of Credit Extensions of the Domestic Borrowers as of the close of business on the immediately preceding day, (iv) a calculation of the Loan

to Value Ratio as of such date (notwithstanding that the Loan to Value Ratio is not tested on such date under Section 6.14 hereof), and (b) certifying, to the best knowledge of such Financial Officer, as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto; and

(iv) Daily, a certificate substantially in the form of Exhibit D-2 (a "Canadian Borrowing Base Certificate") showing the Canadian Borrowing Base as of the close of business on the immediately preceding day, each Canadian Borrowing Base Certificate to be certified as complete and correct in all material respects on behalf of the Canadian Borrower by a Financial Officer of the Lead Borrower; provided that the amount of Eligible Inventory shall be required to be updated only weekly; and

(v) on or before February 18, 2009, an updated Wind Down Budget for such period as the Agent may reasonable require; and

(vi) On Friday of each week (or, if Friday is not a Business Day, on the next succeeding Business Day), a copy of the Weekly Sale Reconciliation (as defined in the 2009 Agency Agreement); and

(vii) after the occurrence and during the continuance of an Event of Default, promptly upon receipt thereof, copies of all reports submitted to the Lead Borrower by independent certified public accountants in connection with each annual, interim or special audit of the books of the Lead Borrower and its Subsidiaries made by such accountants, including any management letter submitted by such accountants to management in connection with their annual audit, but excluding any accountant "agreed upon procedures" report; and

(viii) promptly after the furnishing or filing thereof, copies of any statement, report or pleading furnished to or filed with the US Bankruptcy Court, the Canadian Bankruptcy Court or the Creditors' Committee in connection with the Cases, including, without limitation, all Monitor's reports in the Canadian Bankruptcy Case; provided that the receipt of such documents by counsel to the Administrative Agent and the Co-Collateral Agent in accordance with normal noticing provisions and practices under the Bankruptcy Code or the CCAA shall satisfy this requirement; and

(ix) promptly after receipt thereof, copies of all reconciliations with respect to the Initial Store Closing Sale; and

(x) promptly following any reasonable request therefor, such other information regarding the operations, business affairs and financial condition of any Loan Party, or compliance with the terms of any Loan Document, as the Administrative Agent or any Lender may reasonably request.

Documents required to be delivered pursuant to Section 5.01 may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which the Lead Borrower posts such documents, or provides a link thereto on the Lead Borrower's website on the Internet at the website address listed on Schedule 5.01(B); or (ii) on which such documents are posted on the Lead Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that: (i) the Lead Borrower shall deliver paper copies of such documents to the Administrative Agent or any Lender that requests the Lead Borrower to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender and (ii) the Lead Borrower shall notify the Administrative Agent and each Lender (by telecopier or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Loan Parties with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Loan Parties hereby acknowledge that (a) the Administrative Agent will make available to the Lenders and the Issuing Banks materials and/or information provided by or on behalf of the Loan Parties hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks or another similar electronic system (the "Platform") and (b) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Loan Parties or their securities) (each, a "Public Lender"). The Loan Parties hereby agree that they will use commercially reasonable efforts to identify that portion of the Borrower Materials that may be distributed to the Public Lenders and that (w) all such Borrower Materials shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Loan Parties shall be deemed to have authorized the Administrative Agent, the Issuing Banks and the Lenders to treat such Borrower Materials as not containing any material non-public information (although it may be sensitive and proprietary) with respect to the Loan Parties or their securities for purposes of United States Federal and state securities laws; (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Investor"; and (z) the Administrative Agent shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Investor."

b. Section 5.03(a) of the DIP Credit Agreement is hereby amended by deleting "with the delivery of the financial statements required pursuant to Section 5.01(a)(i) hereof" in the eleventh line thereof.

c. Section 5.05 of the DIP Credit Agreement is hereby amended by adding "and to the extent set forth in the Budget and Wind Down Budget" after "Effect of Bankruptcy" in the first line thereof.

d. Section 5.09(b) of the DIP Credit Agreement is hereby amended by deleting "provided that if, commencing five months after the Petition Date, Excess Availability is not less than (x) 35% of the lesser of the Total Commitments or the Borrowing Base for five consecutive Business Days or (y) 25% of the lesser of the Total Commitments or the Borrowing Base at any time, Inventory appraisals will only be undertaken on a quarterly basis" therefrom.

e. Section 5.11 of the DIP Credit Agreement is deleted in its entirety and the following substituted in its stead:

SECTION 5.11 Use of Proceeds and Letters of Credit. The proceeds of Loans made hereunder to the Canadian Borrower and Letters of Credit issued hereunder for the account of the Canadian Borrower will be used only (a) to finance the acquisition of working capital assets of the Borrowers, including the purchase of inventory and equipment in the ordinary course of business, (b) to finance capital expenditures of the Canadian Borrower, (c) to pay fees, costs and expenses in connection with the transactions contemplated hereby, and to the extent approved by the Bankruptcy Courts and as set forth in the DIP Orders and the Initial Order, in connection with the Cases, (d) for other payments permitted to be made by the DIP Orders, the Initial Order and any other order of the US Bankruptcy Court or Canadian Bankruptcy Court, and (e) for general corporate purposes, in each case to the extent expressly permitted under Applicable Law, the Loan Documents, the DIP Orders, the Initial Order and in accordance with the Budget, subject to Section 5.17. On and after the Third Amendment Effective Date, the proceeds of Loans made hereunder to the Domestic Borrowers will be used only to pay expenses of the Domestic Borrowers as set forth in the Wind Down Budget, subject to Section 5.17, to pay fees, costs, expenses and interest with respect to the Obligations and to fund any drawings under any Letters of Credit from January 17, 2009 until the earlier of the Termination Date and such time as the Lenders cease making Loans pursuant to Section 2.01(a)(x) hereof. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations U and X.

f. Section 5.16 of the DIP Credit Agreement is hereby amended by adding "and the Wind Down Budget" after "the Budget" in the fourth line thereof.

g. Section 5.17 of the DIP Credit Agreement is hereby deleted in its entirety and the following substituted in its stead:

SECTION 5.17 Performance Within Budget and Wind Down Budget.

(a) The Domestic Borrowers shall perform in accordance with the Wind Down Budget with respect to the following: (i) the Domestic Borrowers' cumulative total cash expenditures (other than those described in clause (ii) below) shall not be greater than 100% of the projected cumulative total amount set forth in the Wind Down Budget, and (ii) the Domestic Borrower's cumulative cash expenditures reflected in the Wind Down Budget with respect to customer rebates, customer deposits and gift cards (A) shall not exceed the lesser of (x) the projected total amounts for such cumulative expenditures set forth in the Wind Down Budget and (y) the cumulative amounts actually presented by customers of the Domestic Borrowers for payment with respect to such line items, and (B) to the extent not fully paid as projected in the Wind Down Budget, shall not be utilized by the Domestic Borrowers to pay other expenses or to make other disbursements whether set forth in the Wind Down Budget or otherwise. The covenant described in clause (i) shall be tested each week, as of Friday of the immediately preceding week, pursuant to the Wind Down Variance Report delivered by the Lead Borrower to the Administrative Agent hereunder.

(b) The total cash expenditures of the Canadian Borrower shall not be greater than 110% of the projected total amount set forth in the Budget, as tested each week pursuant to the Variance Report delivered by the Canadian Borrower to the Administrative Agent on Wednesday of each week for the immediately preceding week, on a four (4) week trailing basis.

h. Section 5.18(e) of the DIP Credit Agreement is hereby deleted in its entirety and the following substituted in its stead:

(e) Intentionally Omitted.

7. Amendments to Article VI. The provisions of Article VI of the DIP Credit Agreement are hereby amended as follows:

a. The provisions of Section 6.06(b) of the DIP Credit Agreement are hereby amended by adding "and the approved Wind Down Budget" after "the approved Budget" in clause (v) thereof.

b. The provisions of Section 6.08 of the DIP Credit Agreement are hereby amended by adding "the 2009 Agency Agreement," after "Material Contracts" in the sixth line thereof.

c. The following new Sections 6.14 and 6.15 are hereby added to the DIP Credit Agreement:

SECTION 6.14 Loan to Value Ratio. From the Third Amendment Effective Date through February 28, 2009, the Borrowers shall not permit the ratio (the "Loan to Value Ratio") of (i) the sum of (A) 70.5% of the Cost Value of the then remaining Merchandise (as each of those terms is defined in the 2009 Agency Agreement) plus (B) the "Ending Cash Balance" reflected in the initial Wind Down Budget (adjusted to reflect the actual cash and not the amounts projected in such Wind Down Budget) to (ii) the outstanding Credit Extensions to or for the account of the Domestic Borrowers to be less than 1.50:1.00. The Loan to Value Ratio covenant shall be tested on Saturday of each week as of the end of the immediately preceding week.

SECTION 6.15 Credit Extensions. The Borrowers shall not permit the outstanding Credit Extensions as of the end of any week to be in excess of the aggregate amount of such Credit Extensions outstanding as of Saturday of the immediately preceding week.

8. Amendment to Article VII. The provisions of Article VII of the DIP Credit Agreement are hereby amended as follows:

a. The provisions of Section 7.01 of the DIP Credit Agreement are hereby amended by adding the following new clause (z) at the end thereof:

"(z) any Loan Party that is party to the 2009 Agency Agreement shall fail to observe or perform materially any covenant, condition or agreement set forth therein, which failure continues for a period of five (5) Business Days, or the Agent (as defined in the 2009 Agency Agreement) fails to make any payment to the Loan Parties under the 2009 Agency Agreement in an amount in excess of the then amount available to be drawn under the Agent Letter of Credit (as defined in the Agency Agreement) as and when due thereunder;"

b. The provisions of Section 7.04(a) of the DIP Credit Agreement are hereby amended by deleting clause ELEVENTH thereof in its entirety and by substituting the following in its stead:

"ELEVENTH, to the Lead Borrower for distribution to the Loan Parties, their successors or assigns, or as a court of competent jurisdiction may otherwise direct."

9. Amendment to Exhibits. Exhibits D-1 (Form of Domestic Borrowing Base Certificate) and E (Form of Notice of Borrowing for Domestic Borrowers) to the DIP Credit Agreement are hereby deleted in their entirety and the Exhibits D-1 and E attached hereto substituted in their stead.

10. Amendment to Schedules. Schedule 1.1 (Lenders and Commitments) to the DIP Credit Agreement is hereby deleted in its entirety and the Schedule 1.1 attached hereto substituted in its stead.

11. Permitted Sale. The Agents and the Required Lenders hereby acknowledge and agree that the sale of the inventory and furniture, fixtures and equipment located at 567 of the Domestic Borrowers' retail store locations and distribution centers pursuant to the 2009 Agency Agreement, as approved by the US Bankruptcy Court pursuant to that certain Order Approving Agency Agreement, Store Closing Sales and Related Relief by the US Bankruptcy Court dated January 16, 2009, is a Permitted Sale under the DIP Credit Agreement.

12. Utilities Reserve. The Agent, the Required Lenders and the Borrowers agree that the Availability Reserve in the amount of $5,000,000 imposed under the Borrowing Base pursuant to that certain consent and first amendment dated December 4, 2008 among the Agent, the Required Lenders and the Borrowers is hereby eliminated and that, upon satisfaction of the condition precedent set forth in Section 14(e) below, the Agent shall fund the Utility Blocked Account in the amount of $5,000,000.

13. Waiver. The Required Lenders hereby waive, effective as of the Third Amendment Effective Date, any Default and/or Event of Default that may have occurred as a result of the Borrowers' failing to comply with Section 5.18 of the DIP Credit Agreement with respect to the consummation of a sale or disposition of the Domestic Borrowers' assets within the time frame set forth in Section 5.18, any breach of the representations and warranties set forth in Sections 3.04, 3.09 and 3.11 relating thereto, and, in each case, any other Default and/or Event of Default arising directly as a result thereof. The foregoing waiver relates to the Defaults or Events of Default as set forth in this Section 13 only and shall not be deemed a continuing waiver of any other Default or Event of Default under the DIP Credit Agreement.

14. Conditions to Effectiveness. This Third Amendment shall not be effective until each of the following conditions precedent have been fulfilled or waived to the satisfaction of the Agents:

    a. This Third Amendment shall have been duly executed and delivered by the Loan Parties, the Agents and the Required Lenders. The Administrative Agent shall have received a fully executed copy hereof and of each other document required hereunder.

    b. All action on the part of the Loan Parties necessary for the valid execution, delivery and performance by the Borrowers of this Third Amendment shall have been duly and effectively taken.

    c. After giving effect to this Third Amendment, no Default or Event of Default shall have occurred and be continuing.

d. The US Bankruptcy Court shall have entered an amendment to the Final Borrowing Order and the Canadian Bankruptcy Court shall have entered an order approving the terms and conditions of this Third Amendment in substance reasonably satisfactory to the Administrative Agent.

e. The US Bankruptcy Court shall have entered an amendment to the Utilities Order in substance reasonably satisfactory to the Administrative Agent, which amendment shall provide that, upon the funding of the Utility Blocked Account by the Administrative Agent as set forth in Section 12 above, the Agent and the Lenders shall be released of any further obligation with respect to the Utility Blocked Account, including without limitation, any funding or replenishment thereof.

15. Miscellaneous.

a. Except as provided herein, all terms and conditions of the DIP Credit Agreement and the other Loan Documents remain in full force and effect. The Borrowers each hereby ratify, confirm, and reaffirm (after giving effect to this Third Amendment) all of the representations, warranties and covenants therein contained.

b. The Borrowers shall pay all reasonable out-of-pocket costs and expenses incurred by the Agent in connection with this Third Amendment, including, without limitation, all reasonable attorneys' fees, in each case in accordance with the terms of the DIP Credit Agreement.

c. This Third Amendment may be executed in several counterparts and by each party on a separate counterpart, each of which when so executed and delivered, each shall be an original, and all of which together shall constitute one instrument. Delivery of an executed counterpart of a signature page hereto by telecopy or electronic delivery shall be effective as delivery of a manually executed counterpart hereof.

d. This Third Amendment expresses the entire understanding of the parties with respect to the matters set forth herein and supersedes all prior discussions or negotiations hereon.

e. Upon satisfaction or waiver of the conditions precedent set forth in Section 14 above, this Third Amendment shall be deemed to be effective as of January 17, 2009.

f. For the avoidance of doubt, it is understood and agreed that the effectiveness of this Third Amendment shall not be deemed an approval by the Canadian Bankruptcy Court of the Second Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be executed and their seals to be hereto affixed as the date first above written.

CIRCUIT CITY STORES, INC.,
("**LEAD BORROWER**")

By_____
Print Name:_____
Title:_____

"The Borrowers"

CIRCUIT CITY STORES WEST COAST, INC.

By_____
Print Name:_____
Title:_____

CIRCUIT CITY STORES PR, LLC

By_____
Print Name:_____
Title:_____

INTERTAN CANADA LTD.

By_____
Print Name:_____
Title:_____

BAN K OF AMERICA, N.A.

By_____
Print Name:_____
Title:_____

BANK OF AMERICA, N.A. (acting through its Canada branch)

By_____
Print Name:_____
Title:_____

WACHOVIA CAPITAL FINANCE CORPORATION (CENTRAL)

By_____
Print Name:_____
Title:_____

GENERAL ELECTRIC CAPITAL CORPORATION

By_____
Print Name:_____
Title:_____

JPMORGAN CHASE BANK, N.A.

By_____
Print Name:_____
Title:_____

NATIONAL CITY BUSINESS CREDIT, INC.

By_____
Print Name:_____
Title:_____

GMA C COMMERCIAL FINANCE, LLC

By_____
Print Name:_____
Title:_____

WELLS FARGO RETAIL FINANCE, LLC

By_____
Print Name:_____
Title:_____

BURDALE FINANCIAL, LTD.

By_____
Print Name:_____
Title:_____

FIFTH THIRD BANK

By_____
Print Name:_____
Title:_____

TEXTRON FINANCIAL CORPORATION

By_____
Print Name:_____
Title:_____

SUNTRUST BANK

By_____
Print Name:_____
Title:_____

UPS CAPIT AL CORPORATION

By_____
Print Name:_____
Title:_____

WEBSTER BUSINESS CREDIT CORPORATION

By_____
Print Name:_____
Title:_____

PNC BANK, N.A.

By_____
Print Name:_____
Title:_____

UBS LOAN FINANCE LLC

By_____
Print Name:_____
Title:_____

CAPITAL ONE LEVERAGE FINANCE CORP.

By_____
Print Name:_____
Title:_____

APPENDIX "C"

Gregg M. Galardi, Esq.
Ian S. Fredericks, Esq.
SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP
One Rodney Square
PO Box 636
Wilmington, Delaware 19899-0636
(302) 651-3000

- and -

Chris L. Dickerson, Esq.
SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP
333 West Wacker Drive
Chicago, Illinois 60606
(312) 407-0700

Dion W. Hayes (VSB No. 34304)
Douglas M. Foley (VSB No. 34364)
MCGUIREWOODS LLP
One James Center
901 E. Cary Street
Richmond, Virginia 23219
(804) 775-1000

Counsel to the Debtors and Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

In re:	:	Chapter 11
CIRCUIT CITY STORES, INC., et al.	:	Case Nos. 08-35653 through 08-35670
Debtors	:	Jointly Administered

FINAL ORDER APPROVING THIRD AMENDMENT TO SENIOR SECURED SUPER-PRIORITY DEBTOR-IN-POSSESSION CREDIT AGREEMENT AND MODIFYING FINAL ORDER ENTERED PURSUANT TO 11 U.S.C. SECTIONS 105, 361, 362, 363 AND 364 AND RULES 2002, 4001 AND 9014 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE (1) AUTHORIZING INCURRENCE BY THE DEBTORS OF POST-PETITION SECURED INDEBTEDNESS WITH PRIORITY OVER ALL SECURED INDEBTEDNESS AND WITH ADMINISTRATIVE SUPERPRIORITY, (2) GRANTING LIENS, (3) AUTHORIZING USE OF CASH COLLATERAL BY THE DEBTORS PURSUANT TO 11 U.S.C. SECTION 363 AND PROVIDING FOR ADEQUATE PROTECTION AND (4) MODIFYING THE AUTOMATIC STAY

THIS MATTER having come before this Court upon the motion (the "**Motion**") by Circuit City Stores, Inc. and its affliated debtors, each as debtors and debtors-in-possession (collectively, the "**Debtors**"), in the above captioned chapter 11 cases (collectively, the "**Cases**"), seeking, among other things:

(i) entry of a final order (this "**Final Order**") authorizing the Debtors to enter into and deliver that certain Third Amendment to Senior Secured Super-Priority Debtor-in-Possession Credit Agreement in substantially the form annexed to the Motion (the "**Third Amendment**") and perform their obligations thereunder, to be effective *nunc pro tunc* as of January 17, 2009; and

(ii) Waive any applicable stay (including under Rule 6004 of the Federal Rules of Bankruptcy Procedure) and provide for immediate effectiveness of this Final Order.

The Bankruptcy Court having considered the Motion and the evidence submitted at the hearing on this Final Order held on February 17, 2009 and in accordance with Rules 2002, 4001(b), (c), and (d), and 9014 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and the local rules of the Bankruptcy Court, due and proper notice of the Motion and the hearing having been given; a hearing having been held and concluded on February 17, 2009; and it appearing that approval of the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and otherwise is fair and reasonable and in the best interests of the Debtors, their creditors, their estates and their equity holders, and is essential for the continued operation of the Debtors' business; and all objections, if any, to the entry of this Final Order having been withdrawn, resolved or overruled by this Court; and after due deliberation and consideration, and for good and sufficient cause appearing therefor:

BASED UPON THE RECORD ESTABLISHED AT HEARING, THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:

A. **Petition Date**. On November 10, 2008 (the "**Petition Date**"), the Debtors filed voluntary petitions under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Eastern District of Virginia (the "**Court**"). The Debtors have continued in the management and operation of their business and property as debtors-in-possession pursuant to

sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Cases. On the Petition Date, InterTAN Canada Ltd. and certain of its subsidiaries filed a notice seeking an initial order under the Companies' Creditors Arrangement Act (Canada) ("**CCAA**").

B. **Jurisdiction and Venue**. This Court has jurisdiction over these proceedings, pursuant to 28 U.S.C. §§ 157(b) and 1334, and over the persons and property affected hereby. Consideration of the Motion constitutes a core proceeding under 28 U.S.C. § 157(b)(2). Venue for the Cases and proceedings on the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

C. **Committee Formation**. On November 13, 2008, the United States Trustee for the Eastern District of Virginia appointed an official committee of unsecured creditors in the Cases (the "**Statutory Committee**").

D. **Borrowing Order**. On December 22, 2008, the Court entered a Final Order Pursuant To 11 U.S.C. Sections 105, 361, 362, 363 and 364 and Rules 2002, 4001 and 9014 of The Federal Rules Of Bankruptcy Procedure (1) Authorizing Incurrence By The Debtors of Post-Petition Secured Indebtedness With Priority Over All Secured Indebtedness and With Administrative Superpriority, (2) Granting Liens, (3) Authorizing Use Of Cash Collateral By The Debtors Pursuant To 11 U.S.C. Section 363 and Providing For Adequate Protection and (4) Modifying The Automatic Stay (the "**Final DIP Order**"). Pursuant to the Final DIP Order, the Debtors were authorized to, and did, enter into that certain Senior Secured Super-Priority Debtor-In-Possession Credit Agreement (as amended, modified or supplemented prior to entry of, and in accordance with the terms of, this Final Order (including, without limitation pursuant to that certain letter agreement dated as of December 4, 2008 and the Second Amendment to

Senior Secured, Super-Priority Debtor-in-Possession Credit Agreement dated as of December 19, 2008, collectively, the "**Prior DIP Amendments** ") and as hereafter amended, modified or supplemented and in effect from time to time, the "**DIP Credit Agreement**"), by and between, among others, Circuit City Stores, Inc., Circuit City Stores West Coast, Inc., Circuit City Stores PR, LLC, and InterTAN Canada Ltd. (collectively, the "**Borrowers**"), Bank of America, N.A., as administrative agent and collateral agent (the "**U.S. DIP Agent**"), Bank of America, N.A. (acting through its Canada branch) as Canadian administrative agent ("**Canadian DIP Agent**") (collectively with the U.S. DIP Agent, the "**DIP Agents**"), and the Lenders party thereto (the "**DIP Lenders**," collectively with the DIP Agents, the "**DIP Secured Parties**"), and (II) all other agreements, documents, notes, certificates, and instruments executed and/or delivered with, to, or in favor of the DIP Secured Parties, including, without limitation, security agreements, pledge agreements, notes, guaranties, mortgages, and Uniform Commercial Code financing statements and all other related agreements, documents, notes, certificates, and instruments executed and/or delivered in connection therewith or related thereto (collectively, as may be amended, modified or supplemented and in effect from time to time, the "**DIP Financing Agreements**"); and (b) incur the "**Obligations**" under and as defined in the DIP Credit Agreement (collectively, the "**DIP Obligations**").

E. **Sale Order**. On January 16, 2009, the Court authorized the Debtors, among other things, to conduct going-out-of-business sales at the Debtors' remaining 567 stores pursuant to an Agency Agreement between the Debtors and a joint venture, as Agent (the "**Sale Order**"). On January 17, 2009, the Agent commenced going-out-of-business sales pursuant to the Agency Agreement. As a result of the entry of the Sale Order and the commencement of the going-out-

of-business sales, the Debtors were unable to obtain loans under the DIP Credit Agreement as a result of the Debtors' inability to comply with the conditions precedent thereunder.

F. **Funding of Wind Down Budget**. Since the commencement of the going-out-of-business sales, the DIP Lenders and the Debtors have been negotiating an amendment to the DIP Credit Agreement to provide for repayment of the DIP Obligations and the funding of the expenses of sale and the Debtors' wind down expenses through February 28, 2009 in accordance with the Wind Down Budget attached to the Motion and the Third Amendment. Pending finalization of such negotiations and the entry of this Final Order, the DIP Lenders have made loans and advances to the Debtors and have permitted the Debtors to use certain cash which would otherwise secure outstanding letter of credit obligations ("Cash"), in each case, to fund such expenses. The Debtors and the Required Lenders (as defined in the DIP Credit Agreement) have agreed to the terms of the Third Amendment.

G. **Relief Requested**. The Final DIP Order provided that the Debtors and the DIP Agents may amend, modify, supplement or waive any provision of the DIP Financing Agreements without further approval of the Court unless such amendment, modification, supplement or waiver (i) increases the interest rate (other than as a result of the imposition of the Default Rate), (ii) increases the Total Commitments of the DIP Lenders under the DIP Financing Agreements, (iii) changes the maturity date, or (iv) effects a material change to the terms of the DIP Financing Agreements. The Debtors and the DIP Lenders believe that (i) the Third Amendment "effects a material change to the terms of the DIP Financing Agreements", and (ii) that certain provisions of the Final Borrowing Order must be amended to conform to the terms of the Third Amendment.

All capitalized terms used herein and not otherwise defined have the same meaning herein as in the Final DIP Order.

H. **Notice**. The Final Hearing is being held pursuant to the authorization of Bankruptcy Rule 4001 and Local Rule 9013-1. Notice of the Final Hearing and the relief requested in the DIP Motion has been provided by the Debtors, whether by telecopy, email, overnight courier or hand delivery on February 12, 2009, to certain parties in interest, including: (i) the Office of the United States Trustee, (ii) counsel to the Pre-Petition Agent (as defined below), (iii) the Pre-Petition Agent, (iv) counsel to the DIP Agents, (v) counsel to the Statutory Committee, (vi) the Securities and Exchange Commission, (vii) all secured creditors of record, (viii) all parties which have filed prior to February 12, 2009 a request for notices in the Cases, (ix) the office of the United States Trustee, (x) the Internal Revenue Service, and (xi) all of the Debtors' current landlords. Such notice of the Final Hearing and the relief requested in the DIP Motion is due and sufficient notice and complies with sections 102(1), 364(c) and 364(d) of the Bankruptcy Code, Bankruptcy Rules 2002, 4001(c), 4001(d) and the local rules of the Bankruptcy Court.

I. **Findings Regarding the Post-Petition Financing**.

(i) **Need for Post-Petition Financing**. An immediate need exists for the Debtors to obtain funds from the DIP Facility and to use Cash in order to continue operations and to administer and preserve the value of their estate. The ability of the Debtors to finance their operations, to preserve and maintain the value of the Debtors' assets and maximize a return for all creditors requires the availability of working capital from the DIP Facility and the use of Cash, the absence of which would immediately and irreparably harm the Debtors, their estates, their creditors and equity holders and the sale of the Debtors' assets.

(ii) **No Credit Available on More Favorable Terms**. The Debtors have been unable to obtain (A) unsecured credit allowable under Bankruptcy Code section 503(b)(1)

as an administrative expense, (B) credit for money borrowed with priority over any or all administrative expenses of the kind specified in Bankruptcy Code Sections 503(b) or 507(b), (C) credit for money borrowed secured solely by a Lien on property of the estate that is not otherwise subject to a Lien, or (D) credit for money borrowed secured by a junior Lien on property of the estate which is subject to a Lien, in each case, on more favorable terms and conditions than those provided in the DIP Credit Agreement, as amended by the Third Amendment, the Final DIP Order, and this Final Order.

J. **Use of Proceeds of the DIP Facility**. Proceeds of the DIP Facility and Cash shall be used, in each case in a manner consistent with the terms and conditions of the DIP Credit Agreement, and in accordance with the Wind Down Budget (as defined below) (subject to any variances thereto permitted under the terms and conditions of the Third Amendment), solely for (a) working capital and general corporate purposes, and (b) payment of costs of administration of the Cases, in each case, to the extent set forth in the Wind Down Budget.

K. **Extension of Financing**. The DIP Secured Parties have indicated a willingness to provide financing to certain of the Debtors and to permit the Debtors to use certain Cash in accordance with the Third Amendment, the DIP Credit Agreement and the Wind Down Budget subject to (i) the entry of this Final Order, and (ii) findings by this Court that such financing is essential to the Debtors' estate, that the DIP Secured Parties are good faith financiers, and that the DIP Secured Parties' claims, superpriority claims, security interests and liens and other protections granted pursuant to the Final DIP Order, this Final Order and the DIP Facility (including the Third Amendment) will not be affected by any subsequent reversal, modification, vacatur or amendment of the Final DIP Order, this Final Order or any other order, as provided in section 364(e) of the Bankruptcy Code.

L. **Business Judgment and Good Faith Pursuant to Section 364(e)**. The terms and conditions of the Third Amendment are fair, reasonable, and the best available under the circumstances, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and consideration; (ii) the Third Amendment was negotiated in good faith and at arms' length between the Debtors and the DIP Secured Parties, and (iii) use of the proceeds to be extended under the DIP Facility, as modified by the Third Amendment, will be so extended in good faith, and for valid business purposes and uses, as a consequence of which the DIP Secured Parties are entitled to the protection and benefits of section 364(e) of the Bankruptcy Code.

M. **Relief Essential; Best Interest**. The relief requested in the Motion is necessary, essential, and appropriate for the continued operation of the Debtors' business and the management and preservation of the Debtors' assets and personal property. It is in the best interest of Debtors' estates that the Debtors be allowed to enter into the Third Amendment.

N. **Entry of Final Order**. For the reasons stated above, the Debtors have requested immediate entry of this Final Order pursuant to Bankruptcy Rule 4001(c)(2).

NOW, THÈREFORE, on the Motion of the Debtors and the record before this Court with respect to the Motion, and with the consent of the Debtors, the Statutory Committee, the Pre-Petition Secured Parties and the DIP Secured Parties to the form and entry of this Final Order, and good and sufficient cause appearing therefor,

IT IS ORDERED that:

1. **Motion Granted**. The Motion is granted in accordance with the terms and conditions set forth in this Final Order and the Third Amendment.

2. **Approval of Entry Into Third Amendment**.

The DIP Financing Agreements, as modified by the Third Amendment and this Final Order, are hereby approved on a final basis. The Debtors are expressly and immediately authorized, empowered and directed to execute and deliver the Third Amendment and on a final basis to incur and to perform the DIP Obligations (including, without limitation, the payment of any expenses or fees required therein) in accordance with, and subject to, the terms of the Final DIP Order, this Final Order and the DIP Financing Agreements (including the Third Amendment) and to execute and deliver all instruments, certificates, agreements and documents which may be required or necessary for the performance by the Debtors hereunder and thereunder. The DIP Financing Agreements, as amended by the Third Amendment represent valid and binding obligations of the Debtors enforceable against the Debtors in accordance with their terms.

3. **Amendments to Final DIP Order**.

Effective as of January 17, 2009, the Final DIP Order is hereby amended as follows:

(a) All references to the "DIP Credit Agreement" shall mean and refer to that certain Senior Secured Super-Priority Debtor-In-Possession Credit Agreement (as amended, modified or supplemented pursuant to that certain letter agreement dated as of December 4, 2008, the Second Amendment to Senior Secured, Super-Priority Debtor-in-Possession Credit Agreement dated as of December 19, 2008, and the Third Amendment) and as hereafter amended, modified or supplemented and in effect from time to time.

(b) All references to the "Budget" shall mean and refer to both the "Budget" and the "Wind Down Budget" (as each is defined in the Third Amendment).

(c) The provisions of Paragraph 2(b) of the Final DIP Order are hereby deleted in their entirety and the following substituted in their stead:

(c) In order to enable them to continue to operate their business, subject to the terms and conditions of this Final Order, the DIP Credit Agreement, the other DIP Financing Agreements, the Final DIP Order, and the Wind Down Budget (subject to any variances thereto permitted under the terms and conditions of the DIP Credit Agreement), the Debtors are hereby authorized under the DIP Facility to borrow (A) up to the aggregate commited amount of $1,100,000,000 (consisting of $1,050,000,000 for the Debtors and $50,000,000 for InterTAN Canada Ltd. (to be guaranteed by the Debtors)) through and including December 29, 2008, (B) up to the aggregate committed amount of $900,000,000 (consisting of $850,000,000 for the Debtors and $50,000,000 for borrowings by InterTAN Canada Ltd. (to be guaranteed by the Debtors)) on December 30, 2008 and December 31, 2008, (C) up to the aggregate committed amount of $910,000,000 (consisting of $850,000,000 for the Debtors and $60,000,000 for borrowings by InterTAN Canada Ltd. (to be guaranteed by the Debtors)) for the period January 1, 2009 through and including January 16, 2009, (D) up to the aggregate committed amount of $900,000,000 (consisting of $850,000,000 for the Debtors and $50,000,000 for borrowings by InterTAN Canada Ltd. (to be guaranteed by the Debtors)) for the period January 17, 2009 through and including February 15, 2009 (E) up to the aggregate committed amount of $265,000,000 (of which $225,000,000 shall be Domestic Commitments and $40,000,000 shall be Canadian Commitments (to be guaranteed by the Debtors)) from February 16, 2009 through February 27, 2009, and (F) thereafter, $140,000,000 (of which $100,000,000 shall be Domestic Commitments and $40,000,000 shall be Canadian Commitments (to be guaranteed by the Debtors)), all in accordance with the terms and conditions of the DIP Credit Agreement and the Wind Down Budget,

it being acknowledged that after payment in full in cash of all Loans, the DIP Lenders shall have no obligation to make further Loans or credit extensions to the Debtors and the Debtors may use Cash to the extent permitted in the Third Amendment.

(d) The provisions of Paragraph 2(c) of the Final DIP Order are hereby deleted in their entirety and the following substituted in their stead:

The proceeds of the DIP Facility (net of any amounts used to pay fees, costs and expenses under the DIP Credit Agreement) and any Cash shall be used, in each case in a manner consistent with the terms and conditions of the DIP Financing Agreements, and in accordance with the Budget (subject to any variances thereto permitted under the terms and conditions of the DIP Credit Agreement) solely for (a) working capital and general corporate purposes and (b) payment of costs of administration of the Cases, in each case, to the extent set forth in the Budget.

(e) The provisions of Paragraph 8 of the Final DIP Order are hereby deleted in their entirety and the following substituted in their stead.

(a) Subject to the terms and conditions contained in this paragraph 8, the DIP Liens, DIP Superpriority Claims, the Pre-Petition Liens, the Pre-Petition Replacement Liens, the Pre-Petition Indemnity Accounts and the Pre-Petition Superpriority Claims are subordinate only to allowed administrative expenses pursuant to 28 U.S.C. Section 1930(a)(6) (the "**Carve Out**").

(b) The Carve Out shall not extend to (i) the allowed actual and necessary expenses incurred by members of the Statutory Committee and allowed actual and necessary expenses (but excluding legal fees for services rendered) incurred by such members' counsel in connection with the members' service on the Statutory Committee; or (ii)

allowed fees and expenses of attorneys, financial advisors and investment bankers employed by the Debtors and any official committee(s) of creditors pursuant to Sections 327 and 1103 of the Bankruptcy Code (the "**Case Professionals**"). Any such fees and expenses shall be paid only upon the request of the Debtors made on or before February 28, 2009 and then only to the extent and in the amounts specified in the Wind Down Budget and permitted by the Third Amendment, *provided* that any such fees and expenses shall not be required to be paid to the extent (x) incurred in connection with the assertion or joinder in any claim, counterclaim, action, proceeding, application, motion, objection, defenses or other contested matter, the purpose of which is to seek any order, judgment, determination or similar relief (A) invalidating, setting aside, avoiding, or subordinating, in whole or in part, (i) the DIP Obligations, (ii) the Pre-Petition Debt, (iii) the Pre-Petition Liens in the Pre-Petition Collateral, or (iv) the DIP Agents' or DIP Secured Parties' Liens in the DIP Collateral, or (B) preventing, hindering or delaying, whether directly or indirectly, the DIP Agents', DIP Secured Parties' or Pre-Petition Secured Parties' assertion or enforcement of their Liens, security interest or realization upon any DIP Collateral, Pre-Petition Collateral, the Pre-Petition Replacement Liens, or the Pre-Petition Indemnity Accounts, provided, however, that such exclusion does not encompass any investigative work conducted by the Case Professionals prior to bringing any action relating to the foregoing, (y) in using cash collateral of the DIP Agents or the DIP Secured Parties, selling or otherwise disposing of any other DIP Collateral, or incurring any indebtedness not permitted under the DIP Credit Agreement, without the DIP Agents' express written consent or (z) arising after the conversion of any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code. Nothing contained

in this Final Order shall be deemed a consent by the Pre-Petition Secured Parties, or DIP Secured Parties to any charge, lien, assessment or claim against the DIP Collateral, the Pre-Petition Collateral, the Pre-Petition Replacement Liens, or the Pre-Petition Indemnity Accounts under Section 506(c) of the Bankruptcy Code or otherwise. Nothing herein shall be construed to obligate the Pre-Petition Secured Parties, or DIP Secured Parties, in any way, to pay the professional fees or U.S. Trustee Fees, or to assure that the Debtors have sufficient funds on hand to pay any professional fees or U.S. Trustee Fees. The Debtors shall be permitted to pay compensation and reimbursement of expenses allowed and payable under sections 330 and 331 of the Bankruptcy Code and in accordance with the Budget (subject to any variances thereto permitted under the terms and conditions of the DIP Credit Agreement), as the same may be due and payable. The payment of the Carve Out shall not reduce the amount of the DIP Obligations or the Pre-Petition Debt. Notwithstanding the foregoing, the Debtors shall request payment of approved professional fees of both the Debtors' and the Statutory Committee's professionals up to the amounts set forth in the Budget.

(f) The provisions of Paragraph 13 of the Final DIP Order are hereby deleted in their entirety and the following substituted in their stead:

All (i) DIP Obligations shall be immediately due and payable, and (ii) authority to use the proceeds of the DIP Financing Agreements and to use cash collateral shall cease, both on the date that is the earliest to occur of: (i) with respect to the Domestic Borrowers, (A) the earlier of (x) April 30, 2009 and (y) the termination or completion of the Sale (as defined in the Agency Agreement as defined in the DIP Credit Agreement), (B) the date on which the maturity of the Loans are accelerated and the Commitments are

terminated in accordance with the DIP Credit Agreement, and (C) the Consummation Date (as defined in the DIP Credit Agreement), and (ii) with respect to the Canadian Borrower, (A) the earlier of (x) June 30, 2009 and (y) the consummation of a sale of the Canadian Loan Parties or substantially all of their assets, (B) the date on which the maturity of the Loans are accelerated and the Commitments are terminated in accordance with the DIP Credit Agreement, and (C) the Consummation Date (the "**Commitment Termination Date**").

(g) The Final DIP Order is further amended by adding the following:

The Debtors shall promptly furnish counsel to the Statutory Committee with copies of all reports furnished to the DIP Lenders under Section 5.01 of the DIP Credit Agreement, as amended by the Third Amendment.

4. **Other Rights and Obligations**.

(a) **Continued Effectivenss of Final DIP Order and DIP Credit Agreement.** Except as expressly provided herein, (i) all provisions of the Final DIP Order remain in full force and effect. Without limiting the foregoing, the DIP Secured Parties shall continue to be entitled to all DIP Protections to secure the DIP Obligations and the Pre-Petition Secured Parties shall continue to be entitled to all Adequate Protection granted thereunder, and (ii) all provisions of the DIP Credit Agreement and the other DIP Financing Agreements remain in full force and effect. Without limitng the foregoing, nothing contained herein or in the Third Amendment shall be deemed to constitute a modification or waiver of, or extension of time set forth in, any provision of the DIP Credit Agreement, the Final DIP Order, or any other DIP Financing Agreement which requires the Debtors to cash collateralize and/or repay the Letters of Credit Outstanding or other Obligations (as each is defined in the DIP Credit Agreement), each

of which provisions remain in full force and effect as written. Nothing contained herein shall permit the Debtors to use any Cash after February 28, 2009.

(b) **Good Faith Under Section 364(e) of the Bankruptcy Code. No Modification or Stay of this Final Order**. The DIP Agent and the DIP Lenders each have acted in good faith in connection with this Final Order and their reliance on this Final Order is in good faith. Based on the findings set forth in this Final Order and in accordance with section 364(e) of the Bankruptcy Code, which is applicable to the DIP Facility contemplated by this Final Order, in the event any or all of the provisions of this Final Order are hereafter modified, amended or vacated by a subsequent order of this or any other Court, the DIP Secured Parties are entitled to the protections provided in section 364(e) of the Bankruptcy Code and, no such appeal, modification, amendment or vacation shall affect the validity and enforceability of any advances made hereunder or the liens or priority authorized or created hereby. Notwithstanding any such modification, amendment or vacation, any claim granted to the DIP Secured Parties hereunder arising prior to the effective date of such modification, amendment or vacation of any DIP Protections granted to the DIP Secured Parties shall be governed in all respects by the original provisions of the Final DIP Order and this Final Order, and the DIP Secured Parties shall be entitled to all of the rights, remedies, privileges and benefits, including the DIP Protections granted therein and herein, with respect to any such claim. Since the loans made pursuant to the DIP Credit Agreement are made in reliance on the Final DIP Order and this Final Order, the obligations owed the DIP Secured Parties prior to the effective date of any stay, modification or vacation of the Final DIP Order or this Final Order shall not, as a result of any subsequent order in the Cases or in any Successor Cases, be subordinated, lose their lien priority or superpriority administrative expense claim status, or be deprived of the benefit of the status of the liens and

claims granted to the DIP Secured Parties under the Final DIP Order, this Final Order and/or the DIP Financing Agreements.

(c) **Binding Effect**. The provisions of this Final Order shall be binding upon and inure to the benefit of the DIP Secured Parties and the Pre-Petition Secured Parties, the Debtors, and their respective successors and assigns (including any trustee or other fiduciary hereinafter appointed as a legal representative of the Debtors or with respect to the property of the estates of the Debtors) whether in the Cases, in any Successor Cases, or upon dismissal of any such chapter 11 or chapter 7 Case.

(d) **No Third Party Rights**. Except as explicitly provided for herein, this Final Order does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, or incidental beneficiary.

(e) **Survival of Final Order**. The provisions of this Final Order and any actions taken pursuant hereto shall survive entry of any order which may be entered (i) confirming any Plan in the Cases, (ii) converting any of the Cases to a case under chapter 7 of the Bankruptcy Code, or (iii) to the extent authorized by Applicable Law, dismissing any of the Cases, (iv) withdrawing of the reference of any of the Cases from this Court, or (v) providing for abstention from handling or retaining of jurisdiction of any of the Cases in this Court. The terms and provisions of this Final Order shall continue in full force and effect notwithstanding the entry of such order.

(f) **Inconsistency**. In the event of any inconsistency between the terms and conditions of the DIP Financing Agreements, as amended by the Third Amendment, and the Final DIP Order, as amended by this Final Order, the provisions of the Final DIP Order, as

amended by this Final Order shall govern and control. The Final DIP order and this Final Order constitute one composite order relating to the DIP Financing and Adequate Protection.

(g) **Enforceability**. This Final Order shall constitute findings of fact and conclusions of law pursuant to the Bankruptcy Rule 7052 and shall take effect and be fully enforceable *nunc pro tunc* to January 17, 2009 immediately upon execution hereof.

(h) **Objections Overruled**. All objections to the Motion to the extent not withdrawn or resolved, are hereby overruled.

(i) **No Waivers or Modification of Final Order**. The Debtors irrevocably waive any right to seek any modification or extension of this Final Order without the prior written consent of the DIP Agents and the Pre-Petition Agent and no such consent shall be implied by any other action, inaction or acquiescence of the DIP Agents and the Pre-Petition Agent.

(j) **Waiver of any Applicable Stay**. Any applicable stay (including, without limitation, under Bankruptcy Rule 6004(h)) is hereby waived and shall not apply to this Final Order.

(k) **Retention of Jurisdiction**. The Bankruptcy Court has and will retain jurisdiction to enforce this Final Order according to its terms.

SO ORDERED by the Bankruptcy Court this 17th day of February, 2009.

Feb 17 2009

/s/ Kevin R. Huennekens
UNITED STATES BANKRUPTCY JUDGE

Entered on Docket: 2/17/09

WE ASK FOR THIS:

Gregg M. Galardi, Esq.
Ian S. Fredericks, Esq.
SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP
One Rodney Square
PO Box 636
Wilmington, Delaware 19899-0636
(302) 651-3000

- and -

Chris L. Dickerson, Esq.
SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP
333 West Wacker Drive
Chicago, Illinois 60606
(312) 407-0700

- and -

/s/ Douglas M. Foley
Dion W. Hayes (VSB No. 34304)
Douglas M. Foley (VSB No. 34364)
MCGUIREWOODS LLP
One James Center
901 E. Cary Street
Richmond, Virginia 23219
(804) 775-1000

Counsel to the Debtors and Debtors in Possession

CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)

Pursuant to Local Bankruptcy Rule 9022-1(C), I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Douglas M. Foley
Douglas M. Foley

Circuit City Stores, Inc
Weekly Cash Flow to Banks (2 3 09 4pm)
Initial GOB Sale Wind Down Period
($ in 000's)

Description	11 Week GOB Sale (only 6 Wks shown)						Total
	Week 1 24-Jan	Week 2 31-Jan	Week 3 7-Feb	Week 4 14-Feb	Week 5 21-Feb	Week 6 28-Feb	First 6 Wks Wks 1-6
A. PROCEEDS FROM SALE OF ASSETS							
GOB Sales Receipts	187,496	164,060	125,137	146,595	125,286	105,234	853,807
Rent			24,741				24,741
Occupancy Expenses per Schedule 4.1(a)	4,445	4,445	4,445	4,445	4,445	4,445	26,672
Payroll & Taxes		2,381	21,432	2,381	21,432	2,381	50,008
Advertising / Other	5,000	4,500	4,000	3,500	3,000	3,000	23,000
GOB Store Expenses	9,445	11,327	54,619	10,327	28,877	9,827	124,421
GOB Net Recovery Proceeds @ 70.5%	178,051	152,733	70,518	136,268	96,408	95,407	729,386
Proceeds from Sale of Assets							
Sharing Proceeds from GOB							-
Net Proceeds from Canada							-
Corporate Jet - Hawker	4,500						4,500
Misc Fixed Assets							-
A/R Float	1,000	3,000					4,000
Cash in Stores	2,600						2,600
Per Diem Rent GOB	5,986	5,986					11,972
Proceeds from Other Assets	14,086	8,986	-	-	-	-	23,072
Total Initial Cash Proceeds	192,136	161,719	70,518	136,268	96,408	95,407	752,457
B. REDUCTIONS TO INITIAL PROCEEDS							
Corporate Office Costs During GOB							
Payroll & Taxes	3,473	3,473	3,473	3,473	3,473	3,473	20,838
Rent & Utilities	-	556	-	-	-	556	1,112
General Operating	1,725	1,725	1,725	1,725	525	525	7,950
IBM / Other IT Costs	4,350	6,625	250	250	250	6,625	18,350
Subtotal	9,548	12,379	5,448	5,448	4,248	11,179	48,250
DC & Service Costs During GOB							
Payroll & Taxes	1,704	1,704	1,704	1,704	1,704	1,704	10,224
Rent & Utilities	246	1,617	246	246	246	1,617	4,218
Other / General Operating	725	725	725	725	450	450	3,800
Subtotal	2,675	4,046	2,675	2,675	2,400	3,771	18,242
Other Admin Claims During GOB							
Post Petition Trade Credit / AP Accruals	11,000	11,000	11,000	7,000			40,000
Management Incentive Plan	-						-
Customer Rebates	1,635	1,635	1,635				4,906
Customer Deposits	6,000	6,000	6,000	6,000			24,000
Gift Cards (and sales returns)	9,000	9,000	9,000				27,000
Payroll for week(s) prior to GOB	30,000		12,500				42,500
Fund Utilities Reserve		5,000					5,000
Sales Tax for Sales Prior to GOB	4,062	14,817	-	49	9,629	5,816	34,373
Vacation for Store Employees	750	750	750	750	750	750	4,500
Debtors' Professional Fees per DIP Budget		4,920	-	-	-	2,220	7,140
Committee's Professional Fees per DIP Budget		1,380	-	-	-	580	1,960
Subtotal	62,447	54,502	40,885	13,799	10,379	9,366	191,379
GOB Related Admin Expenses	74,670	70,927	49,008	21,922	17,027	24,316	257,871
C. SECURED DEBT & CASH ROLL FWD							
Bank Fees and Expenses	2,250			2,250			4,500
Taxing Authorities	5,000						5,000
Bank Professionals	1,000						1,000
Secured Claims (excl bank debt)	8,250	-	-	2,250	-	-	10,500
Net Cash Flow Related to GOB	109,216	90,792	21,510	112,096	79,381	71,091	484,086
Beginning Loan Balance	436,630	327,414	236,622	215,112	103,016	23,635	436,630
Less: Net Cash Flow Related to GOB	(109,216)	(90,792)	(21,510)	(112,096)	(79,381)	(23,635)	(436,630)
Ending Loan Balance	327,414	236,622	215,112	103,016	23,635	-	-
Beginning Cash Balance	-	-	-	-	-	-	-
Plus: Net Cash Flow Related to GOB	-	-	-	-	-	47,456	47,456
Ending Cash Balance	-	-	-	-	-	47,456	47,456
LC Balance (not cash collateralized)	92,217	92,217	92,217	92,217	92,217	92,217	92,217

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

Court File No.: 08-CL-7841

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

FIFTH REPORT OF THE MONITOR

Goodmans LLP
Barristers & Solicitors
250 Yonge Street, Suite 2400
Toronto, Canada M5B 2M6

Jay A. Carfagnini (LSUC#222936)
Fred Myers (LSUC#26301A)
L. Joseph Latham (LSCU# 32326A)

Tel: 416.979.2211
Fax: 416.979.1234

Solicitors for the Monitor

\5687134