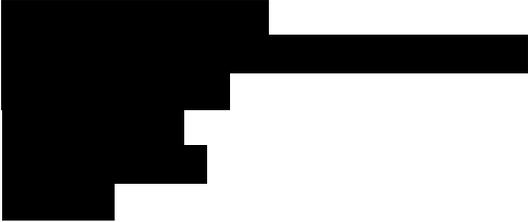


August 31, 2009



Dear [REDACTED]:

On behalf of Gandhi Innovations Limited, Gandhi Innovations Holdings LLC and Gandhi Innovations LLC (the “Gandhi Group” or “Gandhi”) and BDO Dunwoody Limited, the Monitor (the “Monitor”) appointed by the Ontario Superior Court of Justice (Commercial List) (the “Court”) to carry out the process for the sale of the assets of the Gandhi Group, GCA Savvian Advisors, LLC (“GCAS”) would like to thank you for participating in the due diligence process and hereby invites you to submit a definitive proposal (your “Proposal”) detailing the terms and conditions upon which you would be prepared to purchase the assets of the Gandhi Group. This letter, which is also being sent to other interested parties, sets forth the guidelines for submitting your Proposal.

Your Proposal should be submitted in writing by no later than **5:00PM EDT on Wednesday, September 23, 2009** and should be sent to:

GCA Savvian Advisors, LLC
1330 Avenue of the Americas, 28th floor
New York, New York 10019

Attention: Dean Asofsky
Phone: 212.999.7077
Fax: 212.999.7073
Email: dasofsky@gcasavvian.com

Your Proposal should reflect all of the information available to you and should address, at a minimum, each of the following issues:

1. Consideration: The purchase price in Canadian dollars for all of the non-cash assets of the Gandhi Group, including accounts receivable, inventory, fixed assets, intellectual property and equity interests in subsidiaries.
2. Purchase Agreement Mark-up: You will separately be provided with a form of Asset Purchase Agreement (the “Purchase Agreement”). Include with your Proposal a complete mark-up of the Purchase Agreement (“Agreement Mark-up”). Your Agreement Mark-up should be black-lined to the original Purchase Agreement and each applicable exhibit thereto or marked on the copy provided with clearly marked riders. Your Proposal must state that

you are prepared to execute the Purchase Agreement immediately (with any such modifications set forth in the Agreement Mark-up), and that, when so executed, the Purchase Agreement will be binding without any further authorization of your board of directors or other governing body or any other party. Prior to the submission of your Proposal, to the extent you require clarification as to the Purchase Agreement's terms, you will have the opportunity to have a call with the Monitor's outside counsel, Chaitons LLP. Please contact Michele Mieuli of GCAS (Tel: 415.318.3664, mmieuli@gcasavvian.com) to make arrangements for such a call.

3. Acquirer: Your proposal should clearly state the identity of the acquiring entity, including its sponsors, owners (direct, indirect and beneficial), principals and any related entities.
4. Financing: The purchaser's obligation to consummate the transaction should not be contingent upon obtaining financing.

If your Proposal includes financing, please include a statement of how you plan to finance the acquisition, including the specific amounts, expected terms and sources thereof. The Monitor prefers that all financing be fully committed without any contingencies when your Proposal is submitted. Please provide evidence of such financing, including: (i) the relevant forms of (or binding, executed) commitment letters and term sheets; (ii) any relevant additional information including financing structure and conditions, if any, to such financing and the status of these conditions; (iii) a specific table of sources and uses; and (iv) contact information for all sources of financing. The Monitor also prefers that all debt financing commitments include all necessary bridge financing required to obviate any market risk between signing and closing. Please be advised that certainty of financing will be a significant factor in the Monitor's evaluation of your Proposal.

5. Due Diligence: The Monitor expects that your due diligence investigations will be completed by the Proposal date. You are therefore strongly encouraged to contact GCAS if further information is required to complete your due diligence investigation of the Gandhi Group. Any Proposal conditioned on further due diligence review should include a list of the due diligence items that still need to be completed and a timeframe for such completion. Please be advised that a statement that you have completed your due diligence will be a significant factor in the Monitor's evaluation of your Proposal.
6. Approvals and Consents: Your Proposal should be signed by a senior member of your organization who is fully authorized to bind you to the terms of the Agreement Mark-up and should provide that execution of the Agreement Mark-up will not be subject to any additional business, legal or financial due diligence. The Proposal should indicate that all required corporate approvals have been obtained. Your Proposal should also set forth in detail any necessary governmental, regulatory or other approvals that you will require in order to close a transaction and the period of time required to secure such approvals, as well as any other contingencies.
7. Employees: Please provide a detailed description of your intended strategy with respect to the current and/or former management and employees of the Gandhi Group and how they have participated in or contributed to the development of your Proposal.

8. Other Closing Conditions: Please specify in your Proposal any other conditions to your Proposal (including any conditions to your execution of the Purchase Agreement). You should note that it is the Monitor's goal to sign a definitive Purchase Agreement as soon as practicable. If your willingness to execute a definitive Purchase Agreement or to consummate a transaction is subject to the fulfillment of any conditions or contingencies, you should specify the details of such conditions or contingencies. Any uncertainties or delays associated with such conditions or contingencies will significantly disadvantage your Proposal.
9. Timing: Your Proposal should also indicate your best assessment as to the period of time necessary to execute a binding Purchase Agreement and to close a transaction.
10. Advisors: List all outside advisors you have employed or will employ along with their contact information.
11. Contact Information: Your Proposal should include the names, addresses and telephone numbers of those persons whom we should contact to clarify or respond to your Proposal.

GCAS will be available to consult with prospective buyers during the remainder of this process. The Monitor, with the advice and assistance of its financial and legal advisors, intends to evaluate the Proposals submitted as promptly as is reasonably practicable after they have been received. In evaluating your Proposal, the Monitor will consider such matters as it deems appropriate, including but not limited to (i) price, (ii) certainty and timing of closing a transaction and (iii) proposed changes to the Purchase Agreement in the Agreement Mark-up. If your Proposal is accepted by the Monitor, it will be submitted to the Court for final approval. If approved by the Court, the Monitor and the Gandhi Group would endeavor to close the transaction as promptly as possible thereafter.

The terms of the Non-Disclosure Agreement you previously executed shall apply to this letter and throughout the remainder of this process. Nothing in this letter is intended to modify or supersede such agreement.

The Monitor reserves the right to consider any and all factors in the determination of the Proposal it intends to pursue and to reject any or all Proposals without assigning any reasons. Neither the highest nor any Proposal will necessarily be accepted. The Monitor expressly reserves the right to hold discussions with one or more parties in order to clarify Proposals prior to accepting any Proposal, to select any party to enter into contract negotiations in any manner it deems appropriate at any time, to reject any Proposal at any time, in its complete discretion and without giving any reasons therefore or any notice thereof, and to enter into any agreement or transaction with any prospective party without giving notice to you. Neither the Monitor nor its representatives will have any liability or obligation to any prospective buyer as a result of the rejection of any Proposal or the acceptance of another prospective buyer's Proposal.

None of the Gandhi Group, the Monitor nor any of their respective representatives make any representations or warranties with respect to the accuracy or the completeness of any information, written or oral, which has been provided to you. The only representations and warranties applicable to the transaction will be those set forth in a final Purchase Agreement executed by the parties. By submitting a Proposal, a prospective purchaser acknowledges that it is relying solely on its own independent investigation and evaluation of the Gandhi Group. The prospective purchaser is responsible for all of its fees and expenses associated with its evaluation of the Gandhi Group.

The Monitor and GCAS expressly reserve the right, in their sole and absolute discretion, to modify or terminate the procedures described in this letter or the process being undertaken with respect to the potential sale of the Gandi Group at any time without giving any reason therefore or any notice thereof. By submitting a Proposal, you agree to the terms and conditions of this letter.

If you have any questions regarding the guidelines for submitting your Proposal or any other matter related to the Gandi Group or the transaction process, please feel free to contact me (212.999.7077 or dasofsky@gcasavvian.com). **Interested parties are not to communicate with any customer, vendor, personnel or stakeholder of the Gandi Group other than as arranged through GCAS.**

On behalf of the Monitor and the Gandi Group, we would like to thank you for your continuing interest in the Gandi Group.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Asofsky". The signature is written in a cursive style with a horizontal line underneath.

Dean S. Asofsky
Director

cc:

