

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.) THURSDAY, THE 28TH DAY
JUSTICE MORAWETZ) OF JANUARY, 2010

BETWEEN:

**RETURN ON INNOVATION CAPITAL LTD. as agent for ROI FUND INC., ROI
SCPTRE CANADIAN RETIREMENT FUND, ROI GLOBAL RETIREMENT FUND
and ROI HIGH YIELD PRIVATE PLACEMENT FUND and ANY OTHER FUND
MANAGEMENT by ROI from time to time**



Applicants

- and -

**GANDI INNOVATIONS LIMITED, GANDI INNOVATIONS HOLDINGS LLC,
GANDI INNOVATIONS LLC, GANDI INNOVATIONS HOLD CO.
AND GANDI SPECIAL HOLDINGS LLC**

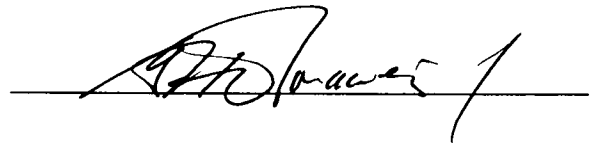
Respondents

DISTRIBUTION ORDER

THIS MOTION, made by **BDO CANADA LIMITED** (formerly BDO Dunwoody Limited) in its capacity as Court-appointed monitor (the “**Monitor**”) of Gandi Innovations Limited (“**Gandi Canada**”), Gandi Innovations Holdings LLC, Gandi Innovations LLC (“**Gandi San Antonio**”), Gandi Innovations Hold Co. and Gandi Special Holdings LLC (collectively, the “**Gandi Companies**”), for an order approving the Monitor’s activities as described in the Monitor’s Ninth Report dated January 22, 2010 (the “**Ninth Report**”) and approving the interim distribution of funds as described in the Ninth Report was heard this day at 330 University Avenue, Toronto, Ontario.


ON READING the Ninth Report and on hearing the submissions of counsel for the Monitor, counsel for the Gandhi Companies, counsel for State Bank of India (Canada) (“SBI”), counsel for Return on Innovation Capital Ltd., as agent (“ROI”), counsel for TA Associates, Inc. as general partner and no one appearing for any other person on the service list, although properly served as appears from the affidavits of Antonina Gassira sworn on January 22, 2010 and Debra Loomis sworn on January 25, 2010 filed and all parties appearing consenting to the relief sought.

1. **THIS COURT ORDERS** that the Monitor’s activities as described in the Ninth Report are hereby approved.
2. **THIS COURT ORDERS** that the Monitor is authorized to make an interim distribution to SBI in the amount of \$12,273,879.21 in connection with Gandhi Canada’s and Gandhi San Antonio’s indebtedness to SBI (the “SBI Distribution”), subject to SBI entering into a reimbursement agreement substantially in the form attached hereto as Schedule “A”.
3. **THIS COURT ORDERS** that the Monitor is authorized to make an interim distribution to ROI in the amount of \$16,723,724 in connection with Gandhi Canada’s indebtedness to ROI (the “ROI Distribution”), subject to ROI entering into a reimbursement agreement substantially in the form attached hereto as Schedule “B”.
4. **THIS COURT ORDERS** that, if SBI is required to reimburse all or any portion of the SBI Distribution under the aforementioned reimbursement agreement, in respect of any claim that arises in Canada or the United States of America, the Monitor shall first seek reimbursement from ROI in respect of the ROI Distribution.



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

JAN 28 2010

PER / PAR:  Joanne Nicoara
Registrar, Superior Court of Justice

SCHEDULE "A"

SBI REIMBURSEMENT AGREEMENT

REIMBURSEMENT AGREEMENT

THIS AGREEMENT dated as of January _____, 2010.

BETWEEN:

BDO CANADA LIMITED

(formerly BDO Dunwoody Limited), solely in its capacity as Court-appointed monitor of GANDI INNOVATIONS LIMITED, GANDI INNOVATIONS HOLDINGS LLC, GANDI INNOVATIONS LLC, GANDI INNOVATIONS HOLD CO. and GANDI SPECIAL HOLDINGS LLC, and not in its personal capacity

(the “Monitor”)

- and -

STATE BANK OF INDIA (CANADA)

(“SBI”)

- and -

RETURN ON INNOVATION CAPITAL LTD., AS AGENT

(“ROI”)

WHEREAS:

- A. By Order of the Ontario Superior Court of Justice (the “Court”) dated May 8, 2009 (the “Initial Order”), Gandhi Innovations Limited (“Gandhi Canada”), Gandhi Innovations Holdings LLC and Gandhi Innovations LLC (“Gandhi San Antonio”) (collectively, the “Original Gandhi Companies”) obtained creditor protection pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c.C-36 (“CCAA”) and BDO Canada Limited (formerly BDO Dunwoody Limited) was appointed as monitor.
- B. By Order of the Court dated November 25, 2009, Gandhi Innovations Hold Co. and Gandhi Special Holdings LLC (collectively, the “Additional Gandhi Companies”) were added as debtors to the CCAA proceeding.
- C. By Order of the Court dated November 25, 2009, this Court approved the sale of substantially all of the business and assets of the Original Gandhi Companies and the Additional Gandhi Companies (collectively, the “Gandhi Companies”).
- D. By Order of the Court dated January [28], 2010, the Monitor was authorized, *inter alia*, to make an interim distribution from the sale proceeds and the cash on hand to SBI in the amount of \$12,273,879.21 (the “SBI Distribution”) and to ROI in the amount of \$16,723,724 (the “ROI Distribution”).

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged:

1. Subject to the terms hereof, SBI hereby irrevocably and unconditionally undertakes to repay all or a portion of the SBI Distribution if it is determined by a Final Order (as defined below) that the SBI Distribution or any portion thereof should not have been paid to SBI. For the purpose of this agreement, a "Final Order" shall mean a Court order from which all rights of appeal shall have been determined or expired
2. The aggregate liability of SBI to reimburse the Monitor under this agreement shall be limited to the aggregate amount of the SBI Distribution.
3. Without prejudice to its payment obligations pursuant to sections 1 and 2 herein, SBI shall have the full benefit and use of the SBI Distribution and shall have no obligation to hold it in trust or keep it separate and apart from its general assets.
4. From the date of the payment of the SBI Distribution by the Monitor to SBI, until the date of any possible reimbursement of the SBI Distribution by SBI to the Monitor, SBI will treat the amount of the SBI Distribution as a payment on account of the indebtedness of Gandhi Canada and Gandhi San Antonio to SBI, which payment shall be reversed and the liability of Gandhi Canada and Gandhi San Antonio increased by the amount of such reimbursement by SBI pursuant to section 1 herein.
5. This agreement is for a term that expires on the date on which the Court has made a "Final Order" (in accordance with section 1 hereof) that the payment of the SBI Distribution to SBI is no longer subject to this agreement and that the SBI Distribution should be paid, and have been paid to SBI.
6. ROI acknowledges that the payment to ROI of the ROI Distribution does not alter the priorities as between ROI and SBI as existed prior to the ROI Distribution, and accordingly any reimbursement payable pursuant to sections 1 and 2 herein shall be made from the ROI Distribution prior to any reimbursement being sought from SBI.
7. All notices provided and other communications pursuant to this agreement shall be in writing and either delivered by hand or transmitted by telephone facsimile which produces a written record ("fax") as follows, and any notice or other communication shall be deemed conclusively to have been given and received, if delivered or transmitted by fax, on the day in which it was delivered or transmitted:

- (a) in the case of the Monitor:

BDO CANADA LIMITED
Financial Recovery Services
123 Front Street West
Suite 1200
Toronto, ON M5J 2M2

Attention: Blair Davidson
Fax: (416) 865-0904

CHAITONS LLP
185 Sheppard Avenue West

Toronto, ON M2N 1M9

Attention: Harvey Chaiton
Fax: (416) 218-1849

(b) in the case of SBI:

STATE BANK OF INDIA (CANADA)
P.O. Box 81
Suite 1600, 200 Bay Street
Royal Bank Plaza, North Tower
Toronto, ON M5J 2J2

Attention: Jaibir Singh Duhan
Fax: (416) 865-0735

with a copy to:

BORDEN LADNER GERVAIS LLP
Scotia Plaza
40 King Street West
Toronto, ON M5H 3Y4

Attention: Roger Jaipargas
Fax: (416) 361-7067

(c) in the case of ROI:

RETURN ON INNOVATION CAPITAL LTD., AS AGENT
43 Colborne St. 3rd Floor
Toronto, M5E 1E3

Attention: Erle Anderson
Fax: (416) 361-3013

with a copy to:

AIRD & BERLIS LLP
Brookfield Place, 181 Bay Street
Suite 1800, Box 754
Toronto, ON M5J 2T9

Attention: Robb English
Fax: (416) 863-1515

8. This agreement is a contract made under and shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
9. This agreement may be executed by the parties in counterparts and may be executed and delivered by fax or email PDF and all such counterparts and electronic transmissions shall together constitute one and the same instrument.

10. This agreement is binding on and enures to the benefit of the Monitor, ROI and SBI and their respective successors and assigns, including any interim receiver, receiver, receiver and manager or trustee in bankruptcy of the Gandhi Companies.

BDO CANADA LIMITED (formerly BDO Dunwoody Limited), solely in its capacity as Court-appointed monitor of GANDI INNOVATIONS LIMITED, GANDI INNOVATIONS HOLDINGS LLC, GANDI INNOVATIONS LLC, GANDI INNOVATIONS HOLD CO. and GANDI SPECIAL HOLDINGS LLC, and not in its personal capacity

By:

Name: Blair Davidson
Title: President

STATE BANK OF INDIA (CANADA)

By:

Name:
Title:

I have authority to bind the Bank.

**RETURN ON INNOVATION CAPITAL LTD.,
AS AGENT**

By:

Name:
Title:

I have authority to bind the Corporation.

SCHEDULE "B"

ROI REIMBURSEMENT AGREEMENT

REIMBURSEMENT AGREEMENT

THIS AGREEMENT dated as of January _____, 2010.

BETWEEN:

BDO CANADA LIMITED

(formerly BDO Dunwoody Limited), solely in its capacity as Court-appointed monitor of GANDI INNOVATIONS LIMITED, GANDI INNOVATIONS HOLDINGS LLC, GANDI INNOVATIONS LLC, GANDI INNOVATIONS HOLD CO. and GANDI SPECIAL HOLDINGS LLC, and not in its personal capacity

(the “**Monitor**”)

- and -

RETURN ON INNOVATION CAPITAL LTD., AS AGENT

(“**ROI**”)

WHEREAS:

- A. By Order of the Ontario Superior Court of Justice (the “**Court**”) dated May 8, 2009 (the “**Initial Order**”), Gandi Innovations Limited (“**Gandi Canada**”), Gandi Innovations Holdings LLC and Gandi Innovations LLC (collectively, the “**Original Gandi Companies**”) obtained creditor protection pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c.C-36 (“**CCAA**”) and BDO Canada Limited (formerly BDO Dunwoody Limited) was appointed as monitor.
- B. By Order of the Court dated November 25, 2009, Gandi Innovations Hold Co. and Gandi Special Holdings LLC (collectively, the “**Additional Gandi Companies**”) were added as debtors to the CCAA proceeding.
- C. By Order of the Court dated November 25, 2009, this Court approved the sale of substantially all of the business and assets of the Original Gandi Companies and the Additional Gandi Companies (collectively, the “**Gandi Companies**”).
- D. By Order of the Court dated January [28], 2010, the Monitor was authorized, *inter alia*, to make an interim distribution from the sale proceeds to ROI in the amount of \$16,723,724 (the “**ROI Distribution**”).

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged:

- 1. Subject to the terms hereof, ROI hereby irrevocably and unconditionally undertakes to repay all or a portion of the ROI Distribution if it is determined by a Final Order (as defined below) that the ROI Distribution or any portion thereof should not have been paid to ROI. For the purpose of this agreement, a “Final Order” shall mean a Court order from which all rights of appeal shall have been determined or expired

2. The aggregate liability of ROI to reimburse the Monitor under this agreement shall be limited to the aggregate amount of the ROI Distribution.
3. Without prejudice to its payment obligations pursuant to sections 1 and 2 herein, ROI shall have the full benefit and use of the ROI Distribution and shall have no obligation to hold it in trust or keep it separate and apart from its general assets.
4. From the date of the payment of the ROI Distribution by the Monitor to ROI, until the date of any possible reimbursement of the ROI Distribution by ROI to the Monitor, ROI will treat the amount of the ROI Distribution as a payment on account of the indebtedness of Gandi Canada to ROI, which payment shall be reversed and the liability of Gandi Canada increased by the amount of such reimbursement by ROI pursuant to section 1 herein.
5. This agreement is for a term that expires on the date on which the Court has made a "Final Order" (in accordance with section 1 hereof) that the payment of the ROI Distribution to ROI is no longer subject to this agreement and that the ROI Distribution should be paid, and have been paid to ROI.
6. All notices provided and other communications pursuant to this agreement shall be in writing and either delivered by hand or transmitted by telephone facsimile which produces a written record ("**fax**") as follows, and any notice or other communication shall be deemed conclusively to have been given and received, if delivered or transmitted by fax, on the day in which it was delivered or transmitted:

- (a) in the case of the Monitor:

BDO CANADA LIMITED
Financial Recovery Services
123 Front Street West
Suite 1200
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Attention: Blair Davidson
Fax: (416) 865-0904

CHAITONS LLP
185 Sheppard Avenue West
Toronto, ON M2N 1M9

Attention: Harvey Chaiton
Fax: (416) 218-1849

- (b) in the case of ROI:

RETURN ON INNOVATION CAPITAL LTD., AS AGENT
43 Colborne St. 3rd Floor
Toronto, M5E 1E3

Attention: Erle Anderson
Fax: (416) 361-3013

with a copy to:

AIRD & BERLIS LLP
Brookfield Place, 181 Bay Street
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Attention: Robb English
Fax: (416) 863-1515

7. This agreement is a contract made under and shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
8. This agreement may be executed by the parties in counterparts and may be executed and delivered by fax or email PDF and all such counterparts and electronic transmissions shall together constitute one and the same instrument.
9. This agreement is binding on and enures to the benefit of the Monitor, ROI and ROI and their respective successors and assigns, including any interim receiver, receiver, receiver and manager or trustee in bankruptcy of the Gandi Companies.

BDO CANADA LIMITED (formerly BDO Dunwoody Limited), solely in its capacity as Court-appointed monitor of GANDI INNOVATIONS LIMITED, GANDI INNOVATIONS HOLDINGS LLC, GANDI INNOVATIONS LLC, GANDI INNOVATIONS HOLD CO. and GANDI SPECIAL HOLDINGS LLC, and not in its personal capacity

By:

Name: Blair Davidson
Title: President

**RETURN ON INNOVATION CAPITAL LTD.,
AS AGENT**

By:

Name:
Title:

I have authority to bind the Corporation.

RETURN ON INNOVATION CAPITAL LTD. et al.

- and -

GANDI INNOVATIONS LIMITED et al.

Applicants

Respondents

Court File No. 09-CL-8172

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at TORONTO

ORDER

CHAITONS LLP
Barristers and Solicitors
185 Sheppard Avenue West
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Tel: (416) 218-1129
Fax: (416) 218-1849

**Lawyers for BDO Canada Limited
(formerly BDO Dunwoody Limited)**