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BDO Canada Limited
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13 September 2011

TO THE PROVEN CREDITORS OF THE GANDI GROUP

Dear Sir/Madam:

Re: Gandhi Innovations Limited, Gandhi Innovations Holdings LLC, Gandhi Innovations LLC, Gandhi Innovations Hold Co. and Gandhi Special Holdings LLC (referred to collectively as the "Gandi Group")

On May 8, 2009 pursuant to order of the Ontario Superior Court of Justice (the "Court"), the Gandi Group obtained protection from their creditors under the Companies' Creditors Arrangement Act ("CCAA"). BDO Canada Limited (the "Monitor") was named Court-appointed monitor of the Gandi Group under the CCAA proceeding. After conducting a sales process, the Monitor, with the approval of the Court, sold the Gandi Group's assets to a third party purchaser, Agfa Corporation.

On March 9, 2010, the Court authorized the Monitor to prepare a plan of compromise and arrangement of the Gandi Group to distribute the available funds to the unsecured creditors of the Gandi Group (the "Plan"). A consolidated plan was prepared and filed with the approval of the Court on January 4, 2011.

On February 18, 2011 certain of the former directors and officers of the Gandi Group (the "Late Claimants") obtained leave of the Court to file their claims (the "Claims") notwithstanding that the claims bar date had passed. The claims of the Late Claimants are significant and, if allowed, would result in a significant dilution in the distribution to all creditors.

We understand the Late Claimants are involved in a legal dispute with TA Associates, the largest unsecured creditor and a shareholder of the Gandi Group, wherein TA Associates is seeking damages of approximately \$76 million. The Claims submitted by the Late Claimants relate to an indemnity against those damages alleged by TA Associates. The Late Claimants believe they are entitled to be indemnified by the Gandi Group as a result of an Indemnity Agreement entered into with TA Associates prior to the CCAA filing.

The Monitor's disallowed the Claims and the Late Claimants have disputed this disallowance. The Courts heard the matter on August 18, 2011. The ruling of Justice Newbould which was issued on August 25, 2011 effectively reduced their claims by \$50 million for the equity portion and limited them to certain holding companies. The Late Claimants issued a notice of a Motion on September 9, 2011 to seek an Order granting leave to appeal Justice Newbould's decision. This will have the effect of delaying the sanctioning of any Plan and the distributions to creditor's for several months. Once the matter is finalized all creditors will be contacted and given further information.

Inquires can be directed to Ms. Josie Parisi at 416-369-6031.

Yours very truly,

BDO CANADA LIMITED
Monitor in the CCAA proceedings of
Gandi Innovations Limited,
Gandi Innovations Holdings LLC,
Gandi Innovations LLC,
Gandi Innovations Hold Co. and
Gandi Special Holdings LLC

Per:

Blair F. Davidson, CA•CIRP, CBV, CMC
President