

PROMISSORY NOTE

Dated: April 3, 2013

AMOUNT: Cdn\$3,907,541

1. PROMISE TO PAY

For value received, **Noel Biderman** (the "**Borrower**") hereby promises to pay on the Maturity Date (as such term is defined below) to or to the order of Avid Life Media Inc. (the "**Lender**"), the sum of Cdn\$3,907,541 (the "**Principal**") in lawful money of Canada in the manner hereinafter provided, together with interest and other monies which may from time to time be owing hereunder or pursuant hereto.

2. INTEREST RATE

Interest on the Principal computed from the date of advance of monies by the Lender to the Borrower shall be the Canada Revenue Agency Published Interest Rate, calculated and payable as set out in Section 3.

3. INTEREST PAYMENTS

Interest shall be payable in lawful money of Canada on the last day of each calendar quarter on the balance from time to time outstanding of the principal amount of this Promissory Note, and on any other monies due and payable hereunder (including interest), both before and after demand, default or judgment, at the rate set out in Section 2 calculated and compounded quarterly not in advance, computed from the dates of advance of monies by the Lender to the Borrower. The first interest payment shall be due on the 30th day of June, 2013.

4. PURCHASE OF SHARES AND SECURITY

The Principal shall be provided to the Borrower to purchase a total of 3,552,310 Class E Common Shares in the capital of the Lender (the "**Purchased Shares**"). This Promissory Note is secured solely against the Purchased Shares.

5. REPAYMENT OF THE PRINCIPAL

The Principal shall be repayable immediately on the date (the "**Maturity Date**") that is the earliest of the following:

- (a) the date that the Borrower transfers, sells, conveys or otherwise disposes of all or any part of the Purchased Shares (excluding any transfer or disposition to a Permitted Transferee pursuant to the terms of the Lender's shareholders agreement dated August 15, 2007, as amended or supplemented from time to time (the "**Shareholders' Agreement**"), pursuant to which the Borrower is a party); and
- (b) where the Borrower ceases to be employed with the Lender for reason of termination by the Lender of the Borrower's employment for Cause pursuant to Section 5.1(a) of the Borrower's employment agreement with the Lender

dated as of January 1, 2013 (the "Employment Agreement"), or by the Borrower's voluntary resignation pursuant to Section 5.1(e) of the Employment Agreement, the date that the Borrower elects or is deemed to elect whether to surrender or retain the Purchased Shares pursuant to Section 4.3(c) of the Employment Agreement (which date shall not be later than 30 days following the last day of the Borrower's active and actual employment with the Lender, determined without reference to any period of notice that is or that ought to have been given to the Borrower (the "Termination Date"));

Subject to the Maturity Date, this Promissory Note has no term.

6. PREPAYMENT

The Borrower may prepay the principal amount of this Promissory Note either in whole at one time or in part, at any time and from time to time prior to the Maturity Date.

7. LENDER SET-OFF RIGHT

The Lender shall have the right to set-off any payment to be made to the Borrower by the Lender under Section 4.3(c) and Section 4.3(d) of the Employment Agreement, as applicable, against amounts outstanding under this Promissory Note.

Where the Borrower's employment is terminated by the Lender for disability or death pursuant to Section 5.1(b) of the Employment Agreement, without Cause pursuant to Section 5.1(c) of the Employment Agreement or by the Borrower for Good Reason pursuant to Section 5.1(d) of the Employment Agreement, and the Borrower has elected to retain the Purchased Shares under Section 4.3(d) of the Employment Agreement, at any time following the date that is 36 months following the Termination Date, the Lender shall have the right withhold up to 75% of any distribution payable from time to time on the Purchased Shares as a set-off of amounts owed to it under this Promissory Note.

8. GOVERNING LAW; JURISDICTION

This Promissory Note shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein (other than the conflict of laws rules). The Borrower hereby submits to the jurisdiction of the courts in the City of Toronto in the Province of Ontario in respect of any dispute arising under this Promissory Note.

9. INTERPRETATION

- (a) Words importing the singular number only include the plural and vice versa.
- (b) Words importing gender shall include all genders and words importing persons include individuals, partnerships, corporations, trusts, unincorporated associations, joint ventures, government agencies and other entities.
- (c) Any provision of this Promissory Note which is invalid or unenforceable under the laws of any jurisdiction in which this Promissory Note is sought to

be enforced shall, as to such jurisdiction and to the extent such provision is invalid or unenforceable, be deemed severable and shall not affect any other provision of this Promissory Note.

- (d) The division of this Promissory Note into Articles, Sections, subsections, paragraphs and clauses and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Promissory Note.
- (e) Capitalized terms used herein and not defined shall have the meaning ascribed to them in the Employment Agreement.
- (f) In case of any discrepancy between the terms of this Promissory Note and the Employment Agreement, the terms of the Employment Agreement shall govern.

10. NOTICE

Any notice or other writing required or permitted to be given hereunder or for the purposes hereof (hereinafter in this Section 10 called a "notice") to any party shall be sufficiently given if delivered personally, or if sent by prepaid registered mail or if transmitted by electronic communication tested prior to transmission to such party in each case to:

- (a) if to the Borrower, at:

Noel Biderman
227 Hillhurst Blvd. Avenue
Toronto, Ontario M5N 1P3

Facsimile: (416) _____

- (c) If to the Lender, at:

Avid Life Media Inc.
20 Eglinton West, Suite 1200
Toronto, ON M4R 1K8

Attention: Chairman of the Board
Facsimile No: (416) 480-2803

or, at such other address as the party to whom such writing is to be given shall have last notified to the party giving the same in the manner provided in this Section. Any notice delivered to the party to whom it is addressed hereinbefore provided shall be deemed to have been given and received on the date it is so delivered at such address; provided that if such day is not a normal business day, then the notice shall be deemed to have been given and received on the first normal business day next following the date of its delivery. Any notice transmitted by electronic communication shall be deemed given and received on the day actually received but in no event later than the first normal business day after its transmission.

11. SUCCESSORS AND ASSIGNS AND WAIVER

This Promissory Note shall be binding upon the Borrower and its successors and permitted assigns and shall enure to the benefit of the Lender and its successors and assigns. Any reference herein to the Lender shall include its successors and assigns as if specifically named.

This Promissory Note shall be non-negotiable. The Borrower hereby waives demand and presentment for payment, protest and notice of presentment for protest of payment and protest waived of this Promissory Note.

* * * * *

IN WITNESS WHEREOF the Borrower has executed this Agreement effective on the day and year first above written.

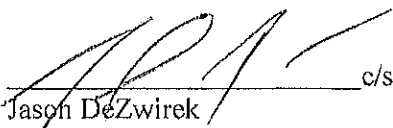
SIGNED AND DELIVERED

NOEL BIDERMAN

Per: 
Noel Biderman

The foregoing terms are hereby acknowledged and agreed to effective this 3rd day of April, 2013.

AVID LIFE MEDIA INC.

Per:  c/s
Jason DeZwirek
Director

Authorized Signing Officer