ART IN MOTION INCOME FUND.

Formal Valuation

as at March 31, 2008

Formal Valuation of Art in Motion Income Fund.
March 31, 2008

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May 30, 2008

PRIVATE AND CONFIDENTIAL

Independent Committee
Art In Motion Income Fund
2000 Hartley Avenue
Coquitlam, BC V3K 6W5

Dear Sirs and Mesdames:

ASSIGNMENT

You have requested that we prepare a Comprehensive Valuation Report ("Report"), providing our conclusion as to the fair market value of the issued and outstanding units of Art In Motion Income Fund ("AIM Fund" or the "Fund") not owned by Clarke Inc. (the "Minority Units") as at March 31, 2008 (the "Valuation Date").

This Report has been prepared in conformity with the Practice Standards of The Canadian Institute of Chartered Business Valuators (the "CICBV"), including Appendix A to CICBV Standard #110. A Comprehensive Valuation Report is defined by the CICBV as a valuation report in which the conclusion is based on a comprehensive review and analysis of the business, its industry and all other relevant factors, with adequate corroboration of relevant information.

PURPOSE

We understand that you require a formal valuation pursuant to Multilateral Instrument 61-101 ("MI 61-101") in connection with the proposed acquisition by Clarke Inc. ("Clarke"), AIM Fund's majority unitholder, of all the Minority Units for cash (the "Proposed Transaction"). We understand that Clarke's offer will constitute an Insider Bid under Part 2 of MI 61-101. Under MI 61-101, the offeror must obtain an independent Formal Valuation as set out in Part 6 of MI 61-101.

We also understand that:

- At the Valuation Date, there were 8,030,070 issued and outstanding Units of the Fund ("Fund Units"). Clarke owned 3,761,605 Fund Units representing approximately 46.84% of the total. The Minority Units are the remaining 4,268,465 Fund Units not owned by Clarke.

- The 8,030,070 Fund Units represent 75% of the issued Limited Partnership Units ("LP Units") of the Fund's indirect wholly owned subsidiary Art In Motion Limited Partnership ("AIM LP"), which contains the business operation. At the Valuation Date, AIM LP's issued LP Units consisted of 8,030,070 Class A LP Units, owned by the Fund indirectly through AIM Holdings Trust ("AIM Trust"), 535,338 Class B LP Units owned by Clarke, and 2,141,352 Class C LP Units, also owned by Clarke. A diagram of the organizational structure is set out later in this Report.
- The Voting Unitholders of the Fund include the Fund Unitholders, the Class B LP Unitholders and the Class C LP Unitholders. At the Valuation Date, Clarke owned securities representing approximately 60.13% of the voting rights held by all Voting Unitholders. The Minority Units represented approximately 39.87% of the voting rights held by all Voting Unitholders.
- The Board of Directors of AIM LP (the "Board") have appointed an independent committee of its directors who are independent of Clarke, and management of AIM Fund, and related entities (the "Special Committee"), to supervise the preparation of the Report and to review and provide advice to the Board with respect to the Proposed Transaction.

INDEPENDENCE AND CREDENTIALS

BDO Dunwoody Valuation Inc. ("BDO") was first contacted in respect of the Proposed Transaction in February 2008. BDO was formally engaged by the Independent Committee as of April 21, 2008 to provide a Formal Valuation of the Minority Units at March 31, 2008.

This Report was prepared by BDO acting independently and objectively. BDO's compensation is not contingent on any action or event resulting from use of this Report. BDO is to be paid a fee for its professional services based on time expended, together with our internal administrative charge, and is to be reimbursed for other out of pocket expenses.

BDO had previously been engaged by the predecessor company to AIM LP, N.W. Art in Motion Inc. ("NW AIM"), to provide an opinion as to the fair value of the identifiable intangible assets of NW AIM in connection with the proposed public income trust offering. BDO provided its valuation report to NW AIM dated July 5, 2004. In this engagement BDO acted independently and objectively.

BDO Dunwoody Valuation Inc. is a wholly owned subsidiary of BDO Dunwoody LLP, a full-service accounting and financial advisory services firm. BDO's valuation professionals are experienced in completing valuations, fairness opinions and merger and acquisition engagements for numerous companies and organizations across a broad range of industries. Our valuation professionals are comprised of Chartered Accountants, Chartered Business Valuators, and Chartered Financial Analysts.

DEFINITION OF VALUE

For purposes of our Report, fair market value means the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act. In accordance with MI 61-101, BDO has not made any downward adjustments to reflect the liquidity of the Minority Units, the effect of the transaction on the Minority Units or the fact that the Minority Units do not form part of a controlling interest.

As defined, fair market value may not be the price that would actually be realized on the open market sale of the Minority Units. Various factors such as relative bargaining abilities of the vendor and the purchaser, and their perception of the future progress of the business will serve to influence the proceeds realized on an actual sale.

Although the calculations set out in this Report attempt to reflect, as at the Valuation Date, the underlying asset values, long-term earnings, and cash flow potential of AIM Fund, it is important that the reader clearly understand that an arm's length third-party purchaser may have been, and may be, willing to pay a price for the Minority Units other than as noted herein.

CONCLUSION

Based upon the scope of review, and subject to the restrictions, qualifications and assumptions noted in this Report, we are of the opinion that the fair market value of the Minority Units at the Valuation Date was in the range of $0.88 to $1.05 per unit. If a specific figure is required, we would select the midpoint, or $0.96 per unit.

The trading price of the Fund Units during the month of March 2008 fluctuated in a range of $0.65 to $1.00 per Unit. The weighted average trading price of the Fund Units in March 2008 was $0.77 per unit. The mid-point value conclusion set out herein is higher than the average unit trading price for the reasons described subsequently in this Report.

A summary of the methodology leading to our conclusion is set out in the balance of this Report. Unless otherwise specified, all dollar amounts in this Report are expressed in Canadian dollars.

RESTRICTIONS

Our Report is not intended for general circulation or publication, nor is it to be reproduced or used for any purpose other than that outlined above without our prior written permission in each specific instance. We do not assume any responsibility or liability for losses occasioned to AIM Fund, AIM Trust, AIM LP or any related entities; their respective officers, trustees, directors, unitholders or shareholders; or other third parties as a result of the circulation, publication, reproduction, or use of this Report contrary to the provisions of this paragraph.

Our valuation analysis must be considered as a whole. Selecting portions of our analysis and the factors considered by us, without considering all factors and analyses together, could create a misleading view of the process underlying this Report. The preparation of this Report is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

This Report contains forward-looking statements that involve risk and uncertainties. These statements can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “anticipate,” “estimate,” “plans,” “continue,” “believe,” or the negative thereof or other variations thereon or comparable terminology referring to future events or results. The Fund’s actual results could differ materially from those anticipated in these forward-looking statements as a result of numerous factors. These factors include, without limitation, economic conditions, exchange rates, competitive factors and changing consumer tastes, all of which may alter the timing and amount of the Fund’s cash flows; technological change that may affect the Fund’s capital expenditures and results of operations; and the timing of acquisitions and expansion opportunities. The Fund incurred an operating loss during the quarter ended March 31, 2008. Commencing in 2007, Management implemented a number of initiatives to enhance operating cash flow. Should these initiatives prove ineffective, it would likely have a material adverse affect on the Fund’s business, operating results and financial conditions. Any of these, or other, factors could cause actual results to vary materially from the Fund’s anticipated future results as at the Valuation Date. Readers should not place undue reliance on such forward-looking statements that are applicable only as of the date made.

BDO reserves the right, but will be under no obligation, to review all calculations included or referred to in this Report and, if we consider it necessary, to revise our calculations in light of any information existing at the Valuation Date which becomes known to us subsequent to the date of this Report.

In view of the nature of our assignment, we were unable to expose the Minority Units, as a block, to the marketplace to determine if some purchasers, for their own particular reasons, might have been prepared to entertain values other than the value reflected in this Report.

SCOPE OF REVIEW

In arriving at our conclusions, we have reviewed and relied upon the information set out in Appendix A. We also discussed the operations and prospects of AIM with Larry Sullivan, President and CEO of AIM LP and with Allan Achtemichuk, Chief Financial Officer of AIM LP. We discussed income tax issues with Allan Achtemichuk and Brent Karila, AIM’s Director of Finance; and also with Steve Carreiro and Rob Geier of KPMG LLP, AIM’s auditors. We discussed Clarke’s prior acquisition of Fund Units and LP Units with Robert Normandeau, Chair of the Board of Trustees of AIM Fund, and Chief Operating Officer of Clarke. We also visited the corporate office located in Coquitlam, British Columbia. We met with Jamie Bruce and Marco Tomassetti of Capital West Partners to discuss their efforts to effect a potential sale of AIM.

BACKGROUND

Organizational Structure

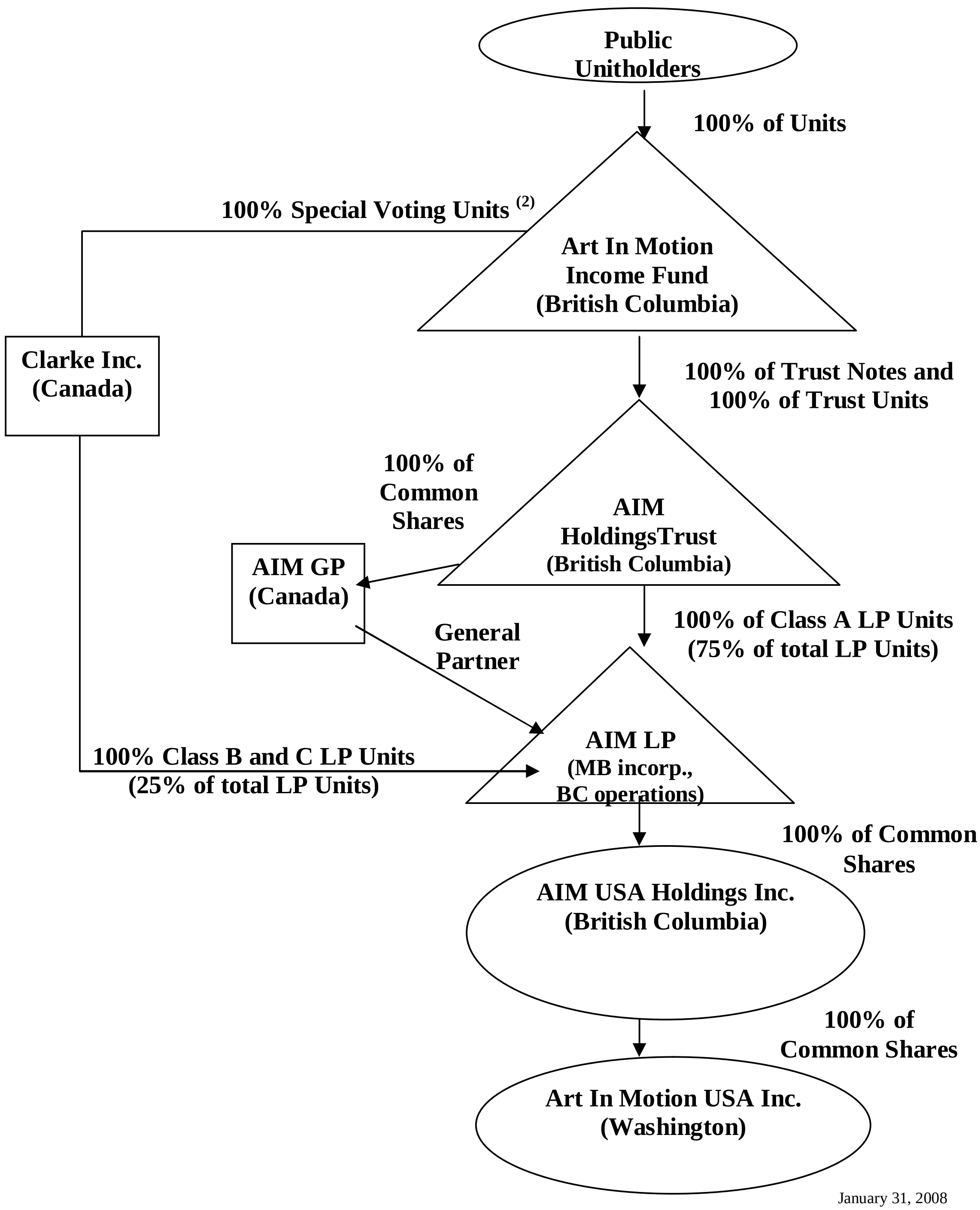
AIM Fund, an unincorporated open-ended, limited purpose trust, was launched on August 3, 2004 with the completion of an initial public offering of 7,500,000 trust units. Subsequently a further 530,070 units were issued, through the exercise of the underwriters' over-allotment option, bringing total outstanding units to 8,030,070[1]. The Fund's head office is located at 2000 Hartley Avenue, Coquitlam, British Columbia.

AIM Fund is a closely-held public income fund with common units listed on the Toronto Stock Exchange (TSX: AIM.UN) with the majority of units being owned by Clarke, a Halifax-based activist and catalyst investment company with a diversified portfolio of strategic and opportunistic investments. Focused on uncovering and creating value, Clarke invests in undervalued businesses and participates actively where necessary to enhance performance and increase returns. Clarke is listed on the Toronto Stock Exchange (TSX: CKI, CKI.DB, CKI.DB.A)[2].

AIM Fund operates through its indirect subsidiary, AIM LP. AIM LP also has an indirect 100% ownership interest in Art in Motion USA Inc., which owns assets related to a distribution warehouse located in Ferndale, Washington, USA. The organizational structure of the Fund and its subsidiaries (collectively "AIM") is set out in the organizational chart below.

[1] Art in Motion Income Fund's website. http://aimincomefund.com/content_home.htm
[2] Clarke Inc.'s website. http://www.clarkeinc.com

Structure & Inter-corporate Relationships



Participation Rights

The Fund Units and the Class B LP Units share ratably in the distributable cash of the Fund. Distribution on the Class C LP Units is subordinated in favor of distributions of a minimum $1.25 per unit on the Class A LP Units (which flow to the Fund Unitholders) and the Class B LP Units.

The subordination of the Class C LP Units ends on the "Subordination End Date", which occurs when consolidated 12 month trailing EBITDA[3] reaches $15.472 million and when a distribution target of $2.50 per unit has been achieved for a 24 month period in respect of all of the issued and outstanding Fund Units, Class B LP Units and Class C LP Units ($21.41 million in the aggregate). At the Valuation Date, the Subordination End Date had not been attained.

Conversion and Tag-along Rights

At the Valuation Date the Class B LP Units were immediately exchangeable for Fund Units on a one for one basis. Holders of the Class C LP Units have the right to convert their Class C LP Units into Class A LP Units and subsequently into Fund Units, on a one for one basis, only after the Subordination End Date, or in order to allow them to participate rateably with other holders of Fund Units in an "Acquisition Transaction" or a "Take-Over Bid" as those terms are defined in the Amended and Restated Agreement of Limited Partnership dated July 27, 2004 (the "LP Agreement"). We have been advised by independent counsel for the Special Committee that:

- as at the Valuation Date there had not been an Acquisition Transaction or a Take-Over Bid;
- the Proposed Transaction will not constitute an Acquisition Transaction;
- although the Proposed Transaction will constitute a Take-Over Bid, it will not give rise to a right of Clarke to convert its Class C LP Units into Class A LP Units and subsequently into Fund Units; and
- if the Proposed Transaction were a formal take-over bid or arrangement transaction pursuant to which all of the issued and outstanding Fund Units were acquired by a party other than Clarke (the sole holder of the Class C LP Units) or a party related to Clarke, such a transaction would give rise to a right of Clarke to convert its Class C LP Units into Class A LP Units and subsequently into Fund Units in order to participate in the transaction.

Liquidation Rights

Under the LP Agreement, AIM LP may be dissolved pursuant to a Special Resolution[4]. If the resolution is approved, the General Partner, Art In Motion GP Ltd. ("AIM GP") will act as receiver and liquidate all property and assets of the AIM LP in an orderly manner. After payment of the

[3] Defined for this purpose as the consolidated net earnings of the Fund plus all amounts deducted in computing net earnings in respect of interest expense, income taxes, amortization and non-cash charges relating to the Founders' Employee Participation Plan referred to in the Prospectus and as adjusted to exclude non-controlling interests.
[4] A Special Resolution for this purpose is a resolution approved by more than 66 2/3 of the votes cast at a specially constituted meeting of the limited partners. At that meeting each LP unit is entitled to one vote.

expenses of liquidation and the liabilities of the Partnership, the proceeds of liquidation are distributed to the Class A LP Unitholders, the Class B LP Unitholders and the Class C LP Unitholders on a pro rata basis in accordance with the respective balances of the "Designated Capital Accounts" and "Current Accounts" of the Partners, as defined in the LP Agreement.

Under the Amended and Restated Declaration of Trust dated July 27, 2004 (the "Trust Deed") the Fund may be terminated by Special Resolution[5]. If the resolution is approved, the trustees of the Fund are required to commence to wind up the affairs of the Fund.

We have been advised by independent counsel for the Special Committee that Clarke was not at March 31, 2008 and is not currently in a legal position to force a liquidation of the Fund or AIM LP.

Overview of Operations

AIM is an integrated publisher, manufacturer and distributor of images and fine-art reproductions directed primarily at the North American consumer. AIM's products target the mid-range of the art market with retail price points ranging from $20 to $300. AIM is somewhat unique in the industry as other participants have historically been solely publishers or wholesale framers. AIM therefore does not have any direct competitors which provide all three services. AIM publishes proprietary images through its licensing and framing divisions within North America. Outside of North America, AIM operates as a traditional publisher by selling images as it does not have international framing or licensing operations.

AIM's manufacturing facilities are located at its Coquitlam, British Columbia premises. As well, AIM has outsourcing capabilities in China.

AIM's licensing division is given exclusive access to the Company's proprietary image portfolio and does not represent or license third party imagery.

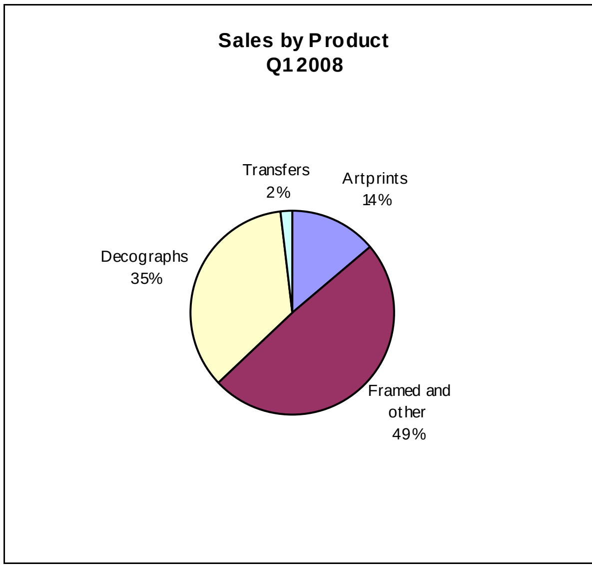
Products and Services

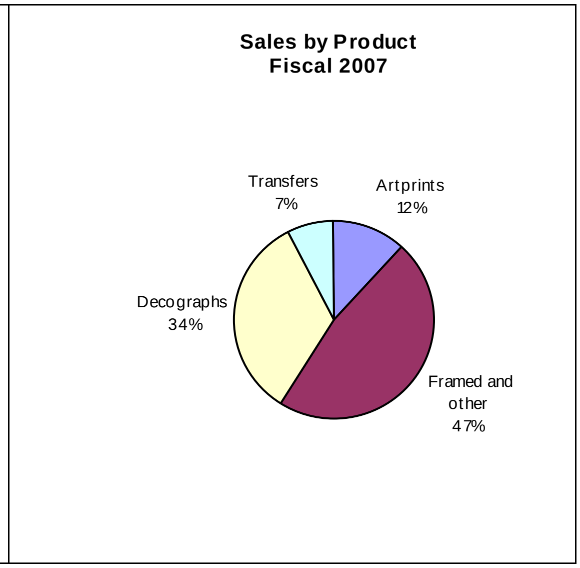
AIM designs, manufactures, markets and distributes art-reproductions and wall décor products in the following categories: unframed prints, framed products, decographs and canvas products. Unframed prints are images printed on paper and are primarily open edition prints, meaning that an unlimited number may be produced. A significant portion of AIM's unframed print sales are outside North America. Framed products are prints that are ready-to-hang items framed at AIM's manufacturing facility. Framed products are primarily sold within North America.

Decographs are a product AIM introduced to the market and are printed images adhered to painted decorative wood panels or plaques, usually with no frame or glass. Decographs are primarily sold within North America.

[5] A Special Resolution for this purpose is a resolution approved by more than 66 2/3% of the votes cast at a specially constituted meeting of the Voting Unitholders, with each Fund Unit, Class B LP Unit and Class C LP Unit having one vote.

Canvas products are images adhered to canvas and canvas-like material, or printed directly on canvas creating the look of an original painting. The canvas can then be stretched onto a frame and sold as a ready-to-hang item. Stretched canvas products are primarily sold in North America, and un-stretched canvas products are primarily sold outside North America. The following charts summarize the historical revenues for AIM by product.



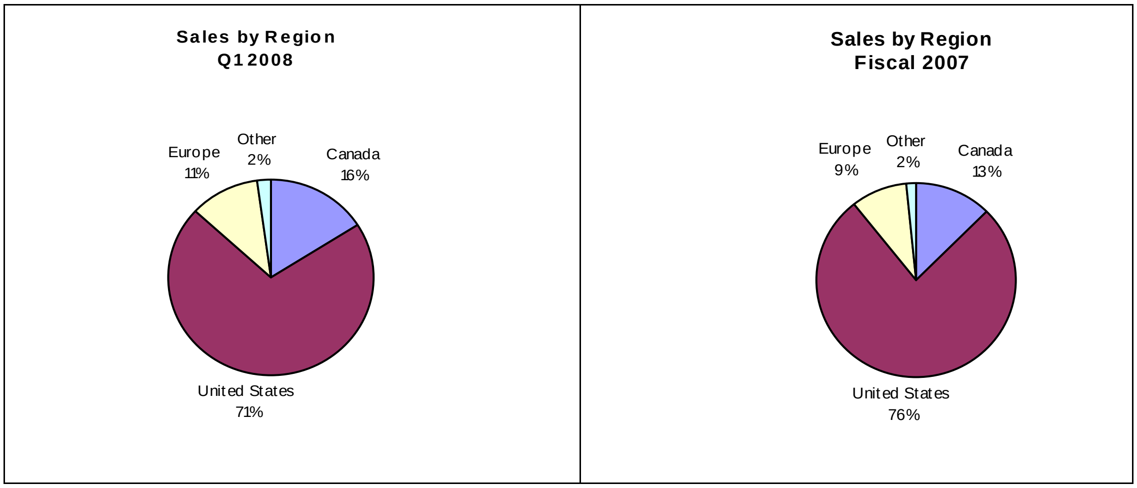


Artist Network

AIM has a network of over 90 artists who work under contract to provide the company with the proprietary images it uses in its products. Generally artists retain image copyrights, however their contracts usually provide to AIM the exclusive right to publish, in perpetuity, the images created while the artist was under contract with AIM. Contracts with artists are typically three to five years in duration. Artists are paid royalties from sale of reproductions of the artists' licensed works and also receive a portion of the net proceeds received by the Fund from sub-licenses of the work. Over the past three fiscal years, the AIM's top ten artists have accounted for just over 50% of the Fund's revenue.

Customers

The majority of AIM's sales are to large national accounts, primarily based in the U.S. The balance of revenue is from regional customers, international sales, and licensing. AIM does not have any long-term contracts with its customers. In 2007, 90% of AIM's sales were denominated in U.S. dollars. In fiscal 2007, the top five customers accounted for 37% of total sales (2006: 29%). The following charts summarize the historical revenues for AIM by region.



Management Team

As at the Valuation Date, AIM's senior management team included the following individuals:

- **Larry G. Sullivan, President & CEO**: Prior to being appointed President and CEO of AIM LP in August 2006, Mr. Sullivan served as the Chief Operating Officer of AIM LP and AIM Fund. Mr. Sullivan came to Art In Motion from BakeMark Ingredients Canada where he was President and Chief Executive Officer.
- **Allan Achtemichuk, Chief Financial Officer:** Mr. Achtemichuk joined AIM in 2001 as Senior Vice President of Finance and Administration. Prior to joining AIM, he was a partner of KPMG LLP where he was the National Practice Leader of KPMG's JD Edwards Practice and was Co-leader of the Consumer/Industrial markets group in KPMG's Vancouver office.
- **Robert Normandeau, Chair of the Board of Trustees, AIM Fund.** Mr. Normandeau is the Chief Operating Officer of Clarke Inc. Mr. Normandeau holds a Master's of Business Administration and a Bachelor of Laws degree, both from the University of Toronto. He is admitted to the practice of law in Ontario, Nova Scotia and New York, and serves on the Boards of several public companies.
- **Garry Peters**, **Advisor:** Mr. Peters co-founded AIM in 1985 with his wife Victoria Peters. Mr. Peters served as Chief Executive Officer of AIM LP. He has been involved in the framing and publishing business for over 35 years.

Financial Overview – Revenue, Earnings and Cash Flow

In its last complete fiscal year[6] before converting to an income trust in 2004, the business generated revenue of $90.06 million. The following table summarizes the Fund's consolidated revenue, gross

[6] Fiscal year ended April 30, 2004.

Margin, EBITDA and net earnings (loss) since commencing active operations as an income trust in August 2004. Additional details are provided in Schedules 12 to 14 attached. Figures are in $000s. Schedule 15 summarizes the Fund's cash flows over this period.

	151 Days ended Dec. 31, 2004	2005	2006	2007	Quarter ended March 31, 2008
Revenue	34,781	65,806	51,465	38,917	6,571
Gross margin	11,237	20,031	15,275	10,189	1,568
EBITDA	5,650	11,267	7,033	5,827	(1,468)
Net earnings (loss)	4,856	(25,662)	(27,298)	1,321	(2,292)

The losses in fiscal 2005 and 2006 were after a write-down of the goodwill recorded upon AIM LP's acquisition of the business in 2004. Goodwill was written down by $34.8 million in 2005 and by $29.4 million in 2006.

Results for the quarter ended March 31, 2008, when compared to the same quarter in 2007, showed a decrease in revenue of $8.1 million to $6.6 million, and a decrease in net earnings (loss) to $(2.2) million from $2.6 million in 2007. The net loss for the first quarter of 2008 was partially attributed to $1.1 million in one-time charges related to change of control settlements following two significant acquisitions of Fund Units by Clarke and $0.5 million related to the closure of a warehouse in the United States and to plant and management restructuring. The net earnings for the first quarter of 2007 was partially attributed to a $3.3 million capital gain arising from the sale of real estate.

Gross margin in 2007 was $10.2 million compared to $15.3 million in 2006, representing 26% and 30% of sales, respectively. AIM has shown decreases in gross margin due to the impact of lower sales volume and retail and wholesale price compression.

Management attributes the declining performance of AIM since 2004 to a number of factors, including:

- A rising Canadian dollar eroding competitive position in the U.S. marketplace.
- Negative economic conditions in the U.S., including a falling housing market in the wake of sub-prime mortgage difficulties.
- Ongoing influx of lower quality, lower priced imports from Asia, which reduced AIM's total market opportunity, created excess capacity within the industry and increased margin pressure.
- Continual and substantial copyright infringement by Chinese companies. Weak copyright laws in many countries, combined with retailers willing to accept counterfeit products, have reduced unit sales of prints while causing AIM to increase its level of spending to combat the alleged criminal behavior.

- Several large national customers experienced their own financial difficulties and reduced or delayed orders.
- Customer demands for substitute wall products for AIM's more traditional look.

To counteract these pressures, commencing in 2007, AIM undertook a number of cost-cutting measures, including product standardization, head count reduction, facility consolidation and bringing pre-press in-house. Management plans to rebuild sales by concentrating its sales efforts, improving speed to market and refocusing on product development so it can offer fresh, trend-forward designs to the market. In going private, AIM will also avoid substantial public-company costs.

Financial Overview - Balance Sheet

Schedule 11 summarizes the consolidated balance sheets of the Fund at December 31, 2004 through 2007 and at March 31, 2008. At the Valuation Date, AIM's balance sheet was comprised of:

	$000s
Cash	1,070
Non-cash current assets	3,756
Intangible asset – customer base	599
Property, plant and equipment	11,119
Long-term debt	(3,500)
Non-controlling interest	(8,891)
Unitholders' equity	4,153

Total unitholders' equity before deduction of non-controlling interest ("NCI") was $13.044 million. We have been advised by Management that all assets at the valuation date, except the customer base and the land and building at 2000 Hartley Avenue, Coquitlam, B.C. (the "Hartley Property") had fair market values equivalent to their net book values. The Hartley Property was appraised by Colliers International Realty Advisors Inc. ("Colliers") as having a market value of $14.8 million at March 18, 2008. This appraised value is $5.516 million higher than the net book value of the Hartley Property at the Valuation Date of $9.284 million.

The fair value of the customer base was estimated at $10.88 million, as at April 30, 2004, in connection with the acquisition of the business assets by AIM LP, and was subject to amortization over a four-year period. The unamortized balance at March 31, 2008 was $599 thousand. Based on our conclusion as to the fair market value of the unitholders' equity of AIM Fund at March 31, 2008, before deduction of NCI in the range of $9.376 million to $11.277 million (Schedule 2), the fair value of the customer base at March 31, 2008 is estimated at Nil.

Cash Distributions

Cash distributions to holders of the Fund Units have been as set out in the table below. The Fund ceased cash distributions in August 2007.

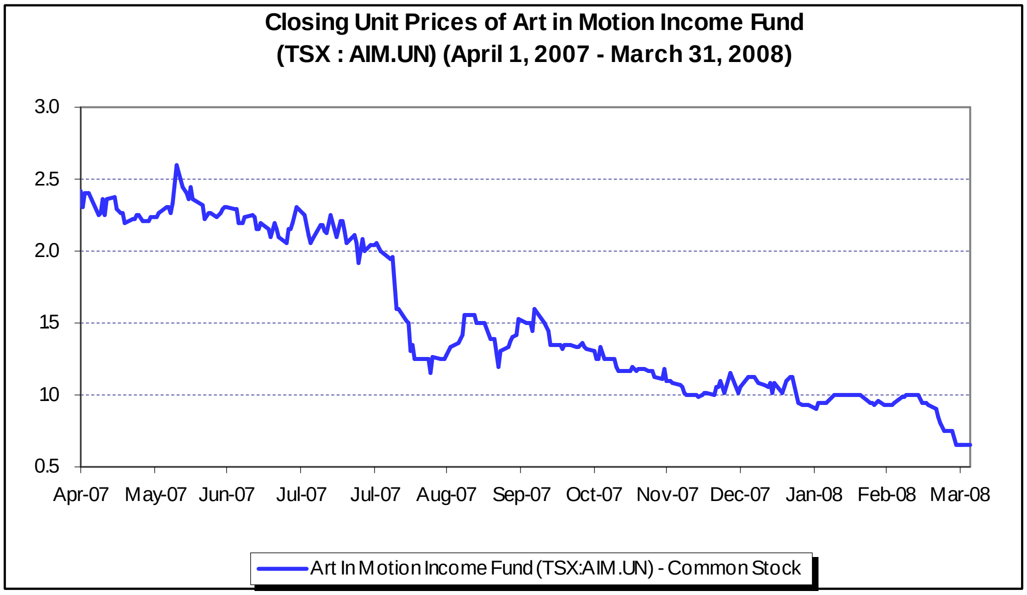
Record Year	$ per Unit	Payment Year	$ per Unit
2004	0.5141	2004	0.4100
2005	1.0875	2005	1.1417
2006	0.6000	2006	0.6000
2007	0.2250	2007	0.2750

Stock Trading Activity

The following chart summarizes the trading prices of the Fund Units since January 2007. It is followed by a graph of the unit trading prices during the past year.

TSX Historical Unit Prices

	Closing Prices			
Period	**High**	**Low**	**Close**	**Volume**
2007				
January	2.89	2.30	2.74	178,268
February	3.10	2.74	3.00	141,621
March	3.05	2.30	2.40	475,703
April	2.42	2.20	2.21	188,478
May	2.60	2.22	2.30	213,768
June	2.30	2.05	2.30	141,386
July	2.25	1.91	2.04	93,799
August	2.05	1.15	1.34	148,822
September	1.56	1.20	1.53	148,765
October	1.60	1.25	1.25	217,256
November	1.33	1.08	1.08	393,600
December	1.15	0.99	1.13	1,857,600
2008				
January	1.13	0.90	0.95	964,750
February	1.00	0.93	0.95	52,730
March	1.00	0.65	0.65	128,690



Source: Capital IQ

The closing unit price has decreased from $2.74 in January 2007 to $0.65 in March 2008. The volumes traded have varied; however have been approximately an average of 200,000 per month with the exception of December 2007 and January 2008. These months reflect two substantial acquisitions by Clarke. Historically, there has been a low level of trading activity, and as such, the trading price may not necessarily be representative of the en bloc value of the Minority Units or the Fund.

Taxation of Income Trusts

The Fund is subject to tax under Part 1 of the Income Tax Act, Canada ("ITA") on its income for tax purposes for the year, including net realized taxable capital gains, less the portion thereof that it deducts in respect of the amounts paid or payable in the year to Unitholders. The Fund was structured so as to pay out 100% of its taxable income and thus be non-taxable.

On October 31, 2006 the Federal Minister of Finance announced a proposal to tax publicly-traded income trusts on distributions of income to their unitholders. Existing publicly-traded income trusts would not be subject to the tax until their 2011 taxation year. The rate of the tax on distributions of income would approximate the combined federal and provincial tax rate applicable to income earned by Canadian public corporations. Distributions received by unitholders of income trusts would be characterized as eligible dividends from a Canadian public corporation. The proposed changes passed third reading in the House of Commons on June 12, 2007 and became law on June 22, 2007 with Royal Assent.

AIM is considered a specified investment flow-through and will become subject to tax commencing January 1, 2011.

Income Tax Assets of the Fund and AIM LP

At the Valuation Date, AIM LP had a Cumulative Eligible Capital ("CEC") balance of approximately $35.67 million. This CEC balance arose upon the transfer of the goodwill and other intangible assets related to the operating business to AIM LP in 2004. AIM LP had accrued a non-capital loss carry-forward of approximately $2.971 million.

At the Valuation Date, the Fund had approximately $2.15 million in offering costs to be amortized in 2008 and 2009.

Clarke Inc.'s Prior Acquisitions of Fund Units and LP Units

Clarke Inc. began to acquire Fund Units in the open marketplace in or about February 2006, and by December 2007 owned almost 20% of the 8,030,070 issued units of the Fund. Clarke then entered into negotiations to acquire the Fund Units and LP Units held by the founders Garry and Victoria Peters through their holding company GVP Holdings Inc. ("GVP"), and the Fund Units held by another key unitholder group, Stuart Belkin and Belkorp Capital Management (jointly, "Belkin").

On December 24, 2007, Clarke acquired the 1,528,000 Fund Units owned by Belkin at a price of $1.15 per unit, or $1,757,200 in aggregate. On January 16, 2008 Clarke Inc. completed a transaction to acquire from GVP:

- 627,600 Units of the Fund at $1.15 per unit for aggregate consideration of $721,740;
- all of the outstanding Class B LP units (535,338 units) at $1.15 per unit for aggregate consideration of $615,638.70; and
- all the Class C LP units (2,141,352 units) at $0.0001 per unit, for aggregate consideration of $214.14.

The $1.15 paid per unit for the Fund Units and Class B LP Units represented a premium of approximately 9% on the average closing price of the Fund Units over the previous 20 trading days prior to announcement.

Previous Efforts to Market AIM Fund and its Subsidiaries

Effective December 12, 2006, the Board of Trustees of AIM Fund retained Capital West Partners ("Capital West"); a Vancouver, British Columbia based firm providing services in the areas of valuation, capital raising, mergers and acquisitions, divestitures and business advice. Capital West was engaged as a financial advisor to the Board of Trustees with respect to the Fund's unitholder distribution policies and to review and explore strategic alternatives to maximize unitholder value, which could include but was not limited to an outright sale, partial sale or business combination. Capital West contacted the three largest unitholders of the Fund, twenty potential strategic buyers (namely, other firms in the industry), and twenty-four private equity firms. Capital West was unable to source a suitable transaction for the Fund. The Board of Trustees terminated its engagement with Capital West effective September 10, 2007.

INDUSTRY OVERVIEW

AIM's products fall within the consumer discretionary sector, and more specifically the home furnishings and accessories industry (excluding furniture and appliances). An industry trade journal, Home Accents Today, refers to this industry as the home accents industry and subdivides this further into segments based on general product categories.[7] The wall décor segment in that industry encompasses AIM's product offering.

The following sections discuss trends in the consumer spending and the home accents market generally, and then the wall décor segment more specifically. More than 71% of AIM's sales are into the U.S. market, so the focus of the following discussion relates to trends in the U.S.

Market Size and Growth – Consumer Spending and Home Accents

The U.S. retail industry is currently undergoing a significant change as a result of the decline in consumer spending, which showed a robust growth between 2001 and 2006, likely as a result of the housing boom. Some of the factors contributing to the decline since 2006 include weakened discretionary income due to less housing wealth, increasing unemployment, increasing debt service, and inflationary pressures. U.S. retailers are currently in the process of scaling down their retail square footage.[8]

Products of the home accents industry are distributed in a number of retail channels that include among others: home accent / gift stores, discount department stores/off-price retailers, lifestyle stores, direct-to-consumer retailers, traditional furniture stores, home improvement centers/warehouse membership clubs, lamp & lighting stores, interior designers, and craft/fabric stores.[9]

In 2007, the annual sales for retail home furnishings stores (NAICS 4422 – establishments primarily engaged in retailing new home furnishings, except furniture) in the U.S. were estimated at US$ 55.9 billion, according to the U.S. Census Bureau. This figure represents the first year of stagnating growth relative to the prior 5 years. The chart below presents the historical U.S. Census Bureau estimates for the annual level of sales and the corresponding implied growth in those sales (year-over-year) for the retail home furnishings stores in the U.S.[10]

[7] www.homeaccentstoday.com
[8] Analyst report "Retail Store Maturity", by Deutsche Bank, April 15, 2008
[9] Home Accents Today, December 2006 issue
[10] U.S. Census Bureau, www.census.gov

The bars represent sales, while the line depicts year-over-year growth.

One of the most significant issues facing the U.S. home furnishings retail sector is the emergence of lower-priced product from Asian suppliers. The substantially lower prices and continued improvement in quality of those products has resulted in downward pressure in this industry's sales.[11]

During 2007 the sales and profitability of the specialty retailers in the U.S. home furnishings industry continued to decline due to general macroeconomic challenges combined with excessive growth in the retail square-footage of those players over the past few years. Some of the examples relating to those problems include Chapter 11 bankruptcy of The Bombay Company in 2007 and public disclosure and execution of turn-around strategies by certain players in this industry.[12] Another retail chain, Linens ‘n Things, was in financial difficulty, experiencing reduced profits and high leverage.[13] On May 2, 2008, Linens ‘n Things announced that it had filed a voluntary petition under Chapter 11 of the United States Bankruptcy Code. The company announced that it would continue to operate its stores without interruption during the reorganization and maintain a healthy merchandise flow.[14] We did not specifically take this subsequent event into account in our valuation conclusion; however the impact of this event and several order delays and cancellations since March 31, 2008 is included in our sensitivity testing later in this report. Based on discussion with management, the impact of these subsequent events would be to reduce operating cash flow.

[11] Analyst report, Ethan Allen Interiors, by Hillard Lyons, February 4, 2008
[12] Analyst reports / notes, "Shake-out looms among home furnishings retailers", by Morgan Keegan, July 6, 2007 "Bombay Bankruptcy Spooks Group", by SunTrust Robinson Humphrey, September 26, 2007
[13] Linens ‘n Things press release dated March 20, 2008.
[14] Linens ‘n Things press release dated May 2, 2008.

Specialty retailers in general are being negatively affected by such factors as:

- the current macroeconomic weakness in the U.S. economy and the housing market in particular;
- limited forward visibility due to economic uncertainty; and
- inventory oversupply and retail square footage saturation.

As a result, the specialty retailers are becoming increasingly vulnerable to the competition from mass retailers.[15]

Market Size and Growth – Home Accents and Wall Décor

Based on the 2006 biannual study of the home accents industry conducted by the Home Accents Today magazine (the "2006 Home Accents Study"), the 2005 U.S. sales of new merchandise in this industry were estimated at US$ 69 billion. Also, the above noted study estimated 2006 sales to increase to US$ 71.8 billion (4.1% y/y growth) and 2007 sales to US$ 74.2 billion (3.3% y/y growth).[16]

We note that the 2006 Home Accents Study was compiled more than a year before the Valuation Date. However, that same study made references to, and recognized the then already emerging, economic challenges facing the U.S. consumer and the home accents industry.[17]

Segments within the home accent industry include: decorative accessories (31%), accent furniture (20%), lamps (11%), wall décor (9%), area rugs (8%), lighting fixtures (6%), table top (6%), soft goods (5%), and permanent botanicals (4%).[18]

The wall décor segment was estimated at US$ 6 billion in 2005 and US$ 6.1 billion in 2006.[19] The 2007 U.S. sales for this segment were projected at US$ 6.4 billion.[20]

The products in the wall décor segment include primarily framed art but increasingly the other products within that space are gaining popularity and include gilded mirrors, natural woven panels, multi-unit shadowboxes, plaques, metal and other wall ornaments. [21]

In a separate 2006 market study conducted by Unity Marketing, "The Art, Wall Décor, Custom Framing & Picture Frame Market", the sales in the U.S. art industry were estimated at US$ 21.8 billion, which included approximately US$ 12.5 billion for mass art reproduction. The mass art

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[15] Analyst reports / notes,

Bed Bath & Beyond, by Deutsche Bank, April 10, 2008
Kirkland's, Inc., by SunTrust Robinson Humphrey, March 25, 2008
"Home Furnishings Industry", by Deutsche Bank, December 19, 2007
Kirkland's, Inc., by Morgan Keegan, December 7, 2007
Kirkland's Inc., by CIBC, December 3, 2007
Cost Plus, Inc., by Morgan Keegan, December 7, 2007

[16] Home Accents Today, December 2006 issue
[17] Home Accents Today, December 2006 issue
[18] Home Accents Today, December 2006 issue
[19] Home Accents Today, December 2006 issue
[20] Home Accents Today, February 2008 issue
[21] Home Accents Today, February 2008 issue, Kirkland's, Inc., SEC Form 10-K, for fiscal year ended February 2, 2008;

reproduction market in that study was defined as all retail channels except art galleries and other art specialty stores, and consisting primarily of already-framed prints with a price range of US$ 100 to US$ 500. [22]

Wall Décor (Wall Art-Reproductions) Product, Process and Participants[23]

The wall art-reproductions for the mass retail market comprise a variety of products that include: unframed prints (open or limited edition paper prints and posters), framed products (open or limited edition ready-to-hang items with/without mats and/or glass), decographs (printed image on a painted decorative wood panel), canvas products (images adhered to canvas or canvas-like material), and foreign original art (factory produced anonymous hand painted art).

In general, the process involved in the sale of wall art-reproductions includes initial design efforts, production and distribution processes. The market participants in the industry can also be aligned with these steps, namely the art publishers, art printers and art framers. Certain of the market participants are integrated to various degrees and also may be involved in the final step of distributing the wall art-reproductions either to the various retail channels including directly to the mass retail consumer market.

The initial design efforts involve an artist's creative process. This is then followed by licensing of the image art by an art publisher from an artist. Selection of art images and licensing depends on the art publisher's assessment of the art's potential given the expected appeal to the target demographic market. The art publishers also license the image art from their image bank to complementary industries such as greeting cards.

The production step of the process involves the printing and framing. The printing is typically performed by the art publisher. The predominant printing process involves traditional lithography offset printers due to their long print runs and cost efficiency. Other methods include: non-traditional lithography printers (textured print using vinyl or plastic), factory hand painted art, Giclée printing (wide-format ink jet printers – short-print runs) and Serigraphy printers (successive screen printing – capable of long-run prints but not cost efficient due to number of required screens). The printed art is then sold either unframed to retailers or sold to a mass market art framer that bundles the art print with their frame.

The distribution step includes primarily national mass retailers and specialty retailers (such as Bed Bath and Beyond, T.J. Maxx) and regional retailers, custom manufacturing, and direct-to consumer sales.

[22] Silvergraph International, Inc., SEC Form 10-K, for fiscal year ended December 31, 2007
[23] Art In Motion Income Fund, Annual Information Form, dated March 28, 2008; Silvergraph International, Inc., SEC Form 10-K, for fiscal year ended December 31, 2007.

Key Success Factors [24]

The typical factors contributing to the success in the wall décor (wall art-reproductions) segment relate to the following:

- High perceived value – buyer's perception of the value of an art reproduction (e.g. textured reproduction, inclusion of certificates of authenticity, artist biographies, etc.);
- Mass market pricing – necessary to attractively price products in relation to the substitute products in the wall décor segment and home accents industry in general;
- Extensive image library – availability of multiple genres and styles that allows prospective clients to build merchandising strategies that correlate with their view of the target market;
- Product integrity – accuracy of reproduction and conformity with the artist's original artistic idea; and
- Branding – establishing product superiority and a trusted consumer brand generally commands premium pricing and improves traction with retailers.

General Trends [25]

Some of the trends and developments impacting the wall art-reproductions segment, home accents industry, and consumer discretionary retailing in general, include:

- Growing influence of the Generation Y group (population born between 1978 and 1994), through growing disposable income, significant influence over family purchases, and increasing home ownership;
- Increasingly educated and sophisticated consumer tastes driven through various media channels. The wall décor industry is characterized by rapidly changing trends and styles but is also able to quickly respond to those changes;
- Social responsibility (environmental, labour conditions, etc.) impacting consumer choices on discretionary purchases in affluent countries;
- Expected decline in U.S. consumer spending due to a downturn of the U.S. housing market and an expectation that future U.S. economic growth will come from exports rather than consumer spending;
- Increasing commoditization of products and increased need to focus on differentiated specialty niches and consumer experience in contrast to mass retailing its products;
- Global sourcing of products by retailers and manufacturers focused on improving margins and remaining competitive, and a corresponding decline of domestic (North American) manufacturing operations; and

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[24] Silvergraph International, Inc., SEC Form 10-K, for fiscal year ended December 31, 2007;
[25] USA Today, " Gen Y sits on top of consumer food Advertisement Chain", October 11, 2006; Home Accents Today, December 2006 issue; Deloitte Touche Tohmatsu and STORES Magazine, "2008 Global Powers of Retailing", January 2008; Art In Motion Income Fund, Annual Information Form, dated March 28, 2008; Home Accents Today, February 2007 issue

- In a maturing retail market, spending as a proportion of GDP declines with increasing consumer affluence, however spending on services as a proportion of GDP generally increases in such markets thus offering retailers an opportunity to provide value-added services.

Competition

The participants in the mass wall décor segment (art printers, art publishers, art framers, other manufacturers and distributors) in general compete on the basis of styling, quality, service, product availability, and price. The segment is highly fragmented, commoditized, and leaderless. The typical product of this segment has remained relatively unchanged over the past few decades and consists of a paper art print framed behind glass.[26]

In the current difficult economic and business climate that is negatively impacting the home accent industry in general, the traditional framed prints are increasingly facing competition from substitute products within the wall décor segment such as gilded mirrors, natural woven panels, multi-unit shadowboxes or plaques. The current wall décor segment market conditions are characterized by an abundance of product and one of the key success factors relates to the ability to introduce new designs, ideas and styles that offer an attractive value proposition. [27]

The following chart profiles certain market participants whose shares are publicly traded.

Comparable company	**Business Description**	**Approximate Market Capitalization at March 31, 2008 ($USD Millions)**
	Home Furnishings Manufacturing, Sourcing, and Retail	
Bed Bath & Beyond Inc. (NasdaqNM:BBBY)	Bed Bath & Beyond, Inc., together with its subsidiaries, operates a chain of retail stores. It sells a range of domestic merchandise, such as bed linens and related items, bath items, and kitchen textiles; and home furnishings, including kitchen and tabletop items, fine tabletop, basic housewares, and general home furnishings.	7,727.6
Cost Plus Inc. (NasdaqNM:CPWM)	Cost Plus, Inc., along with its subsidiaries, operates as a specialty retailer of casual home furnishings and entertaining products in the United States. It offers home decorating items, such as furniture, rugs, pillows, bath linens, lamps, window coverings, frames, and baskets; and furniture products, including ready-to-assemble living and dining room pieces, handcrafted case goods, and occasional pieces.	74.0
Decorize Inc. (OTCBB:DCZI)	Decorize, Inc., through its subsidiaries, engages in the manufacture and wholesale of home furnishings and accessories in the United States. The company offers imported home furnishings and home accent items, such as hand-painted or traditionally finished armoires, chests, tables, chairs, painted	5.62

[26] Silvergraph International, Inc., SEC Form 10-K, for fiscal year ended December 31, 2007;
[27] Home Accents Today, February 2008 issue

Comparable company	**Business Description**	**Approximate Market Capitalization at March 31, 2008 ($USD Millions)**
	furniture, paintings, sculpture, tapestries, other fine art pieces, various hand-made ceramics, candles, lamps, and related accessories.	
Ethan Allen Interiors Inc. (NYSE:ETH)	Ethan Allen Interiors, Inc. engages in manufacturing and retailing home furnishings and accessories. The company is involved in the design, manufacture, sourcing, sale, and distribution of a range of home furnishings and accessories, as well as related marketing and brand awareness efforts. It also sells home furnishings and accessories to consumers through a network of company-owned design centers.	825.1
Kirkland's Inc. (NasdaqNM:KIRK)	Kirkland's, Inc. operates as a specialty retailer of home decor in the United States. Its stores offer a selection of merchandise, including framed art, mirrors, wall decor, candles, lamps, decorative accessories, accent furniture, textiles, garden accessories, and artificial floral products.	25.0
Pier 1 Imports Inc. (NYSE:PIR)	Pier 1 Imports, Inc., together with its subsidiaries, operates as a specialty retailer of imported decorative home furnishings, gifts, and related items in the United States and Canada. Its stores offer furniture, wicker, decorative home furnishings, dining and kitchen goods, epicurean products, bath and bedding accessories, candles, and other specialty items for the home.	556.1
Silvergraph International Inc. (OTCBB:SVGI)	Silvergraph International, Inc., through its wholly owned subsidiary, New Era Studios, Inc., engages in the design, manufacture, marketing, and retailing of fine-art reproductions, art-based home decorative accessories, collectibles, and gift products in the United States. Its primary products include canvas and paper lithographs, as well as other forms of fine-art reproductions.	3.25
Williams-Sonoma Inc. (NYSE:WSM)	Williams-Sonoma, Inc. operates as a specialty retailer of home products. It offers culinary and serving equipment, including cookware, cookbooks, cutlery, informal dinnerware, glassware, table linens, specialty foods, and cooking ingredients; home furnishing products comprising furniture, textiles, decorative accessories, lighting, and tabletop items; linens, towels, robes, soaps, and accessories for the bed and bath; and bridal and gift items	2,571.3
	Art Publishing and Creative Content Management	

Comparable company	Business Description	Approximate Market Capitalization at March 31, 2008 ($USD Millions)
Getty Images Inc. (NYSE:GYI)	Getty Images, Inc. engages in the creation and distribution of visual content, as well as the discovery, licensing, and management of imagery and other digital content worldwide. It provides a range of visual content, including creative or stock imagery that includes still images; stock footage that comprises moving imagery; editorial imagery consisting of news, sports, entertainment, and archival imagery; and illustrations and related products and services.	1,908.0
Jupitermedia Corp. (NasdaqNM:JUPM)	Jupitermedia Corporation provides images, original online information, job boards, and events for information technology (IT), business, and creative professionals primarily in the United States, the United Kingdom, and France. The company's Online Images segment offers online access to photos, photo objects, clipart, animations, illustrations, Web graphics, footage clips, fonts, flash movies, and music.	75.1

Source: Capital IQ

GENERAL ECONOMIC OVERVIEW

Some of the key economic indicators (both historical and projected) impacting AIM at or around the Valuation Date are summarized in the following table:

SUMMARY OF KEY ECONOMIC INDICATORS [a]
(Annual percent change unless otherwise indicated)
as at or around the Valuation Date

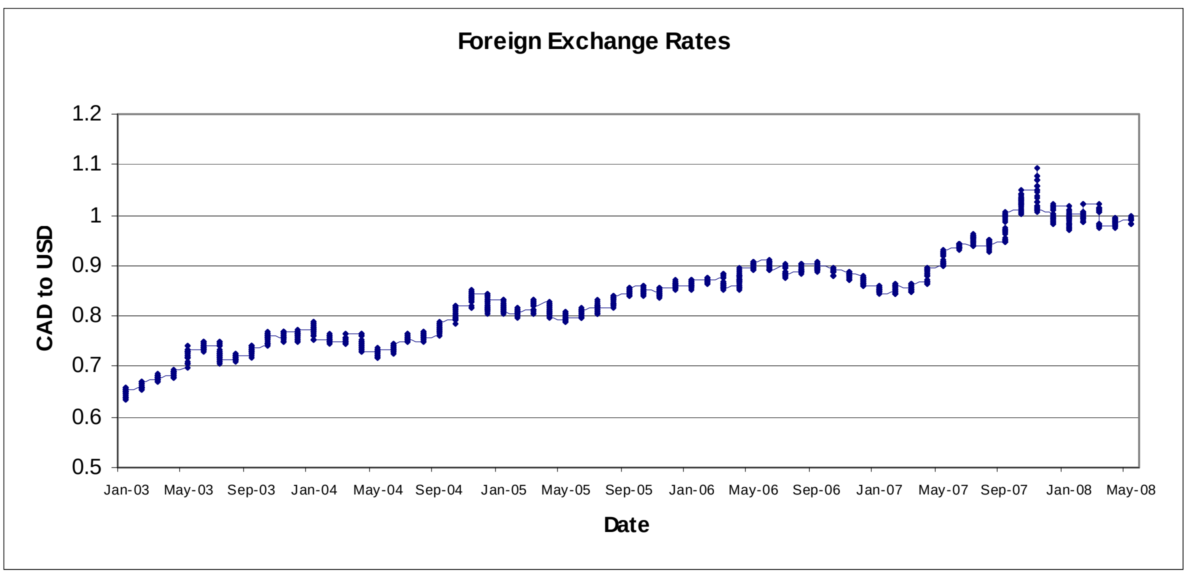
	2006	2007	2008 Est.	2009 Est.
United States:				
Real GDP growth	2.9%	2.2%	1.1%	1.1%
Inflation (CPI)	3.3%	2.9%	3.8%	2.3%
Unemployment rate	4.6%	4.6%	5.3%	6.7%
Real Personal Disposable Income	3.1%	3.0%	1.7%	0.7%
Canada:				
Real GDP growth		2.7%	1.1%	1.8%
Inflation (CPI)		2.1%	1.5%	1.9%
Unemployment rate		6.0%	6.0%	6.3%
Real Personal Disposable Income		4.0%	3.8%	1.4%

a. Sources include: TD Quarterly Economic Forecast, March 19, 2008

Canadian consumer-oriented services (e.g. retail trade) are expected to grow in 2008-09 subject to any negative impact of wages and employment. The high value of the Canadian dollar is expected to reduce corporate profit margins but at the same time the lower prices are likely to help maintain a level of growth in volume terms, at 3.8% in 2008. [28]

The U.S. Real GDP is expected to slow significantly in the near term and recover in the second half of 2009. Currently, three of the five leading indicators have reached levels indicative of a recession. Overall, U.S. consumer spending will decline in 2008 and is expected to recover in the latter part of 2009.[29]

The exchange rate of the Canadian dollar to the U.S. dollar has had the most significant impact on AIM due its concentration of sales to U.S. customers. One U.S. dollar was worth 1.332 Canadian dollars when the Fund began active operations on August 3, 2004. The value of the U.S. dollar had fallen to 1.023 Canadian dollars at March 31, 2008, a drop of approximately 23%. The rising value of the Canadian dollar to the U.S. dollar is shown in the chart below.



VALUATION METHODOLOGIES AND APPROACHES

General Principles

The fundamental premise on which all investment decisions are based is that value to a potential investor is equal to the present worth of the future benefits. This basic concept can be applied to the valuation of an entire company, as well as particular assets or securities of that company. In

[28] TD Economics Industrial Outlook, February 25, 2008
[29] TD Quarterly Economic Forecast, March 19, 2008

each instance, it is a matter of identifying the future returns to the investor that the company can reasonably be expected to generate and determining their present value in the context of the uncertainty associated with realizing these returns.

There are two bases on which to determine the value of a company or asset: going-concern and liquidation. In the case of a company or asset that is expected to continue operating well into the future, the prospective investor will evaluate the risks and expected returns of the investment on a going-concern basis. The investor's primary concern is not with the individual values of the enterprise assets, but with their ability to generate the returns expected in the future. Only secondarily is the investor interested in individual asset values and this from the standpoint of security or collateral for their investment, if for any reason the company should choose to liquidate. In such a case, liquidation values for the assets, as well as costs associated with liquidation, would prevail.

All methodologies applied to the valuation of an asset may be broadly classified into the market, income or asset approaches.

Market Approach

The market approach is appropriate to use if the subject company's units are publicly traded and may also be applicable in the event that the subject company is closely held because it can be used to determine what the company may be worth in the public market.

This approach involves comparing the subject company to similar businesses or "guideline" companies whose securities are actively traded in public markets or which have recently been sold in a private transaction.

This approach is one of determining a level of earnings (or other financial measure, such as revenues) which is considered to be representative of the future performance of the company and capitalizing this figure by an appropriate risk-adjusted rate. This approach provides an indication of value for the security, which corresponds with the particular earnings figure being capitalized (for example, capitalizing net earnings available to common unitholders would yield an indication of value for the common units).

The capitalization rate is an expression of what investors believe to be a fair and reasonable rate of return for the particular security, given the inherent risks of ownership. It incorporates expectations of growth and also the implicit assumption that some level of earnings will be generated by the enterprise in perpetuity. A common means of obtaining capitalization rates is through the market comparison method, whereby companies whose stock actively trades in the public market are selected for comparison purposes and used as a basis for choosing reasonable capitalization rates for the subject company. Capitalization rates obtained in this manner are generally expressed as ratios of various earnings or revenue figures and are referred to as "market multiples".

Another common method of obtaining such multiples is to examine companies that have been sold in the public marketplace. For this method, the total price paid for the company is related to earnings (or other financial measure) figures which yield implied transaction multiples. The acquired company is then compared with the subject company on the basis of risk and expected return and its transaction multiples are used as a basis for selecting appropriate multiples for the subject company.

Income Approach

There are several variants of the income approach. One of these variants is the discounted cash flow ("DCF") approach. This approach is one of estimating the present value of the projected future cash flows to be generated from the business and theoretically available (though not necessarily paid) to the capital providers of the company. In the DCF approach, a discount rate is applied to the projected future cash flows to arrive at a present value. The discount rate is intended to reflect all risks of ownership and the associated risks of realizing the stream of projected future cash flows. It can also be interpreted as the rate of return that would be required by providers of capital to the company to compensate them for the time value of their money, as well as the risk inherent in the particular investment. The discount rate employed in the DCF approach contains no implicit expectations of growth for the cash flows. Instead, the projected cash flows themselves reflect growth expectations.

The "cash flow" figures used in the DCF approach more accurately represents the cash flow being generated by the operations of the business than other approaches. In short, it incorporates cash expenditures on working capital and fixed assets, while also recognizing the non-cash expenses contained in the earnings figures. The cash flows are typically projected over a limited number of years (the "projection period"), which depends on the planning horizon of the specific firm and other factors related to the particular industry and the general economy.

As a result, it is necessary to compute a terminal value as of the end of the last period for which cash flows are projected. This terminal value is essentially an estimate of the value of the cash flows as of that future point in time. The terminal value incorporates assumptions of perpetual operations and implicit growth.

Discounting each of the projected future cash flows and the terminal value back to the present, and summing the results, yields an indication of the value for the enterprise as a whole.

Another income approach method is based on capitalizing some measure of financial performance such as earnings or cash flows, using a capitalization rate that reflects both the risk and long-term growth prospects of the subject company. In capitalizing the historical measure of financial performance, it is important to remember that historical results serve as a proxy for future performance. Both the required rate of return used in the DCF model and the capitalization rate reflect capital market conditions and the specific circumstances of the subject company.

Asset Approach

Two methods within the asset approach are adjusted book value and liquidation value. The adjusted book value method to value is applicable when the underlying asset values constitute the prime determinant of corporate worth. The application of this approach depends on the nature of the company's operations (such as an investment holding company) and/or if the outlook for a particular company's earnings is somewhat uncertain, or returns based on earnings are insufficient to justify the investment in assets.

The adjusted book value approach focuses on individual asset and liability values from the company's balance sheet, which are adjusted to fair market value.

A liquidation approach to value is appropriate if the company is not believed to be prospectively viable as a going concern, or if the prospects for the company's discretionary earnings are not sufficient to support a value greater than that realizable if the business were wound up. The liquidation approach to value is generally described as the quantification of the net amount of cash available to a business owner, net of the appropriate income tax considerations, on the liquidation of all assets and liabilities of the business.

Valuation Approaches Applied

We considered a going concern approach, rather than a liquidation approach, to be most appropriate in the valuation of the Minority Units, given Management's expectations at the Valuation Date for the business to continue to operate as a going concern. Although not profitable at the Valuation Date, Management had undertaken a number of cost saving and rationalization initiatives, and expected AIM to generate positive EBITDA in fiscal 2009 and remain profitable in the future. In our view, the fair market value of AIM should be primarily determined using a combination of the approaches given the history of losses, uncertain market conditions, and uncertainty regarding the company's ability to return to profitable operations. As such, we considered the following methods:

1. Income approach – DCF method;
2. Asset approach – adjusted book value (going concern) and liquidation method;
3. Market approach – Guideline Transaction and Guideline multiple methods.

We also considered the prices paid by Clarke Inc. on its acquisition of the GVP and Belkin interests, and the trading prices of the units, as discussed later.

VALUATION OF AIM

Our valuation of AIM, using the income, market and asset approaches to valuation, is discussed in detail below.

Income Approach: Discounted Cash Flow Method

Overview

The discounted cash flow method generally involves the estimation of future annual discretionary cash flows, which are then discounted to a present value at the weighted average cost of capital ("WACC"). Stated differently, it is a present value calculation of future discretionary cash flow expectations.

Given AIM's history of operating losses, its ability to return to profitability will depend on Management's ability to reduce costs and achieve revenue growth, and upon its ability to obtain financing to sustain any interim losses in the future.

By their nature, future events cannot be determined. Actual results may vary significantly from the forecast set out herein. Therefore, readers are cautioned that all financial forecasts involve numerous risks and uncertainties. Only with the passage of time will the financial results of the Company be determined. See "Restrictions" for further discussion.

Forecasted Discretionary Cash Flow

Management's forecast of discretionary cash flow for the nine-month period ended December 31, 2008 and for the years 2009, 2010 and 2011 are set out in Schedule 3. At the Valuation Date, Management anticipated revenue growth of 12% in 2009 and 10% in 2010. Following its discussion with Management, BDO extended the projections by applying a 5% growth rate in 2011, reflecting an expected recovery of the U.S. economy and efforts by AIM to enhance its product options to be more on-trend, timely and value-oriented. In the interests of conservatism, BDO assumed no revenue growth following 2011.

Management expected EBITDA to increase to $1.22 million in 2010 due to a combination of increased sales, improving margins and reduced costs. BDO made the following adjustments to Management's forecast:

(a) We assumed that a prospective purchaser of the Fund would take it private so as to eliminate the added costs associated with maintaining a public entity and to avoid disclosure of sensitive information to competitors. Accordingly, we have included $600 thousand in public cost savings to Management's EBITDA forecasts;

(b) We deducted notional rent of $905 thousand, being the market rent estimated by Colliers in their appraisal of the Hartley Property. We considered the value of the real estate as separate from the operations. A deduction for notional rent was therefore required (as discussed below);

(c) We deducted income tax at the high corporate rate on income subject to income tax;

(d) We deducted sustaining capital expenditure as estimated by Management; and

(e) We deducted the required investment in working capital to support the forecasted sales and profits.

Redundant assets are assets that are not necessary for the day to day operations of the business. In a valuation, the business operations are valued without the redundant asset, and then the net realizable value of the redundant asset is added in order to arrive at a value for the securities. As an example, land and building may be redundant if a higher overall value may be obtained by selling land and building upon which the business is not generating a return sufficient to support the appraised value, and then renting elsewhere. It is not necessary for there to be a current intent to sell in order for an asset to be considered redundant for valuation purposes.

BDO prepared a DCF valuation analysis for AIM under two scenarios: one in which the Hartley Property is *not* considered redundant, and a second in which it *is* considered redundant. The higher valuation is obtained under the second scenario, and it is this that is reflected in Schedule 3. EBITDA, adjusted for items (a) and (b) above, is forecast at $976 thousand in 2011.

Following 2011 BDO assumed that revenue would stabilize at $34.7 million and EBITDA at $976 thousand. At the Valuation Date, Management expected the operations of AIM to continue into the foreseeable future. We selected a terminal year of 2016 so as to incorporate in the DCF a sufficient period of time for AIM's tax losses to be absorbed by earnings.

We have assumed no growth[30] following 2016 and therefore have applied a multiple which is the inverse of the WACC to arrive at a terminal value in 2016. The discretionary cash flows for the projection period, including the terminal value, were then discounted back to the Valuation Date using rates of return using a WACC.

Income Tax

Consistent with our view that a prospective purchaser would likely take the Fund private, we have assumed income would be subject to tax from the Valuation Date forward, unless sheltered by AIM's available tax losses and other tax assets discussed previously.

Our income tax calculations are predicated on a number of assumptions and considerations as follows:

- We assumed that a sale of AIM would be structured so as to permit utilization of the unamortized offering costs and the CEC balance.
- We assumed that AIM LP's non-capital loss carried forward at the Valuation Date equals its accounting loss before non-controlling interest as reported for its quarter ended March 31, 2008.

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[30] Either real or inflationary.

Based on Management's cash flow forecast, the Fund's non-capital losses, CEC and offering cost balances carried forward are sufficient to offset the taxable income of the Fund until at least 2016. The benefit of these items has been included in the DCF calculation as set out in Schedule 3.

Discount Rate - Weighted Average Cost of Capital

The rate of return used to discount the discretionary cash flows in a DCF is intended to reflect all risks of ownership and the risks associated with realizing the stream of projected future cash flows. It is the rate of return that would be required by providers of capital to AIM to compensate them for the time value of their money, as well as the risk inherent in the particular investment. In determining the required rate of return on a particular investment, capital providers assess their "opportunity cost of capital" as the base from which to analyze each new investment opportunity; this is the return that could be earned on other investments with similar risk/return profiles.

It is important that the type of discount rate employed be consistent with the particular cash flow being discounted. Given that the projected cash flows in the DCF are debt free, that is, contain no deduction for interest expense, assumptions regarding a capital structure appropriate to AIM should be incorporated into the discount rate. A discount rate derived from a weighted-average cost of capital meets this requirement. A WACC for a company reflects the costs of different sources of capital (e.g. debt, equity), with each source of capital weighted to reflect its respective percentage share in the capital structure of the company.

Our WACC calculation is set out in Schedule 4. We employed a Capital Asset Pricing Model and a build-up method to arrive at WACC in a range of 14.50% to 16.03%. In our view this range of WACC is appropriate given the specific company risk factors for AIM.

Risk Factors Specific to AIM

The factors to be considered in the determination of a company specific equity risk premium depend on a host of internal and external factors related to the business. Some of the more important risk factors that we considered in assessing company-specific risk for AIM were:

Positive

- substantial adjusted book value;
- ability to enhance overall value by selling the Hartley Property and renting;
- ability to publish, pre-print, manufacture and license in-house allows AIM to control supply-side cost, produce designs responsive to the mass-market and provide niche-market imagery;
- list of over eighty artists under contract;
- customer list with over 4,000 independent and national retailers;
- an established workforce;
- acquisition of control by Clarke, a firm with turn-around expertise;

Negative

- increase in value of the Canadian dollar against the U.S. dollar;
- availability of competitively value-priced substitute products in AIM's segment as well as from other segments of the home accent industry;
- price competition from products manufactured off-shore;
- current oversupply of products in the Company's target market;
- dependence on its ability to target consumer demographic factors, style preferences, tastes, market trends, spending patterns, lifestyle decisions, consumer traffic and preferred distribution channels;
- dependence on the housing market cycles;
- dependence on consumer disposable income and consumer confidence;
- dependence on effective monitoring, protection, and enforcement against violations of its intellectual property rights;
- recent decline in revenues and profitability;
- recent write-offs of intangible assets recognized on business acquisitions;
- recent changes to executive management team and Board of Trustees;
- recent decline in profitability in the industry and retail distribution channels in the U.S.;
- suspension of distributions to Unit holders;
- declining income of artists under contract may result in departure of key artists or a renegotiation of terms;
- employee loyalty has been tested by a decline in value of their units.
- January 31, 2008 breached debt covenant – issue was corrected; and
- turn-around plan in place may or may not be effective.

DCF Valuation – Enterprise Value

The application of the WACC-based discount rate to discretionary cash flows produces a range of values for the operating assets. The net realizable value of the redundant Hartley Property of $12.451 million is then added to provide a range of total enterprise values (value of operations to both equity and debt-holders combined) in a range of $13.174 million to $13.554 million. The enterprise value is inclusive of the non-controlling interest.

Asset Approach

Adjusted Book Value Method

Our calculation of the adjusted book value of the enterprise is set out in Schedule 5. At the Valuation Date, the net book value of the unitholders' equity of AIM before NCI was $13.044 million. We made the following adjustments further described in Schedule 5:

- We increased the value of the Hartley Property to the appraised amount of $14.8 million and deducted selling commission and income taxes associated with a notional sale of this property;
- We reduced the value of the customer base to Nil, because the discretionary cash flows forecasted in Schedule 3 are, in our opinion, insufficient to support the existence of intangible assets after providing a return on the net tangible assets of AIM.
- We deducted a tax shield forgone on AIM's capital assets other than the Hartley Property;
- We added back long-term debt net of cash on hand; and
- We deducted the net losses forecast for the nine-month period ended December 31, 2008 and the year ended December 31, 2009

The resulting enterprise value of AIM, calculated under the adjusted book value method approach is $15.235 million.

Liquidation Value Method

Although Management viewed AIM as a going concern as at the Valuation Date, in our view, a prospective purchaser of the operations en bloc would view the turnaround plan as bearing a risk of failure and accordingly would also consider the liquidation value of AIM.

Management's estimates of the net realizable values of AIM's assets at the Valuation Date, including severance costs, are set out in Schedule 6. As noted, the liquidation value of AIM is estimated to be $9.174 million to $11.560 million. Adding long-term debt net of cash on hand to these amounts produces an enterprise value in a range of $11.604 million to $13.990 million. The enterprise value of AIM under the liquidation method is within the range of values determined under other methods used, as shown in Schedule 2. We did consider the liquidation approach in arriving at an enterprise value of AIM as at the Valuation Date from a purchaser's perspective in assessing downside risk.

However, we did not consider the liquidation approach in our conclusion as to the value of the Minority Units themselves. In accordance with the LP Agreement, the net proceeds upon liquidation are allocated to the Class A LP Units, the Class B LP Units and the Class C LP Units in proportion to their respective Designated Capital Accounts and Current Accounts. Under a liquidation scenario, the Minority Unitholders are estimated to receive $0.37 to $0.47 per Fund Unit as at the Valuation Date.

Liquidation of the Fund or AIM LP would require the consent of a sufficient number of the Minority Unitholders to authorize the passing of a special resolution at a meeting called for that purpose. In our view, the Minority Unitholders would not have provided that consent as at the Valuation Date given Management's expectation of a recovery; the value of AIM's underlying tangible assets; the trading price of the Fund Units at the time; and the significant dilution of the value of the Fund Units under a liquidation scenario.

Market Approach

Guideline Company Method

We understand that there is no single dominant competitor of AIM in the wall decor segment, and we have not identified any closely comparable publicly traded companies to AIM. However, we selected publicly traded companies that in our view are either functionally comparable or share a similar overall risk / required rate of return profile of the industry in which AIM operates and thus by extension apply to a manufacturer of wall décor products. Specifically, we included certain retailers of home décor and furnishings and certain art publishing and creative content businesses as comparable companies (the "Guideline Companies"). The Guideline Companies selected are set out on Schedule 7.

In the guideline company method under the market approach, we considered the trading multiples of the selected Guideline Companies, including Total Enterprise Value ("TEV") to Revenue and TEV to EBITDA multiples.

Our analysis of trading multiples for the selected Guideline Companies at or around the Valuation Date indicates the following ranges applicable to AIM (see Schedule 7):

AIM	Low		High
Total Enterprise Value to Revenue Multiple	0.46	to	0.46
Total Enterprise Value to EBITDA multiple	3.62	to	4.65

The range of AIM enterprise values under the Guideline Companies approach was $9.805 million to $11.692 million, as summarized on Schedule 7 and on Schedule 2.

Guideline Transaction Method

Using the guideline transaction method of the market approach, valuation multiples implied in purchase prices paid in actual business transactions involving the home décor industry were considered. As in the guideline company method, the valuation multiples considered included TEV to Revenue and TEV to EBITDA multiples.

A summary of the transactions, with the implied multiples appropriate to the Valuation Date is shown in the attached Schedules 9 and 10. Our analysis of multiples for the selected guideline transactions at or around the Valuation Date indicates the following ranges applicable to AIM (see Schedule 9):

AIM	Low		High
Total Enterprise Value to Revenue Multiple	0.35	to	0.53
Total Enterprise Value to EBITDA multiple	4.72	to	6.07

The range of AIM enterprise values under the guideline transaction method was approximately $9.314 million to $14.166 million, as summarized on Schedule 9 and on Schedule 2.

Conclusion – AIM Enterprise Value

Our assessment of the enterprise value of AIM as at the Valuation Date is based on a weighted average of the results from the above noted valuation approaches which are summarized on Schedule 2. We gave weightings to each valuation approach as follows:

Income Approach	
Discounted cash flow method:	20%
Asset Approach	
Adjusted book value method:	20%
Liquidation value method:	20%
Market Approach	
Guideline public company method:	20%
Guideline transaction method:	20%
	100%

The resulting enterprise value of AIM as at the Valuation Date is between $11.8 million and $13.7 million as set out in Schedule 2.

With a range of enterprise values of $11.8 million to $13.7 million, there is no implied value of goodwill and intangible assets of AIM at the Valuation Date. Having regard for the company-specific risk factors described earlier, and the level of discretionary cash flow forecasted in Schedule 3, we are of the view that the lack of goodwill and intangible asset value for AIM is reasonable.

Allocation of Enterprise Value to Debt and Equity Holders

In order to arrive at the fair market value of the equity of AIM, it is necessary to subtract debt, net of cash on hand, from enterprise value as shown on Schedule 2. The resulting fair market value of the equity of AIM, before deduction for the NCI, is in a range of $9.37 million to $11.27 million.

Conclusion – Fair Market Value of the Minority Units

The en bloc value of $9.37 million to $11.27 million, allocated pro rata amongst the Fund Units, the Class B Units and the Class C LP Units, equals $0.88 to $1.05 per unit. We have included the Class C LP Units in this allocation because the definition of fair market value applied to an en bloc valuation of AIM assumes a sale of all of the Fund Units to an arm's length purchaser. As noted previously, such a transaction would allow Clarke to convert its Class C LP Units into Class A LP Units and subsequently into Fund Units in order to participate in the transaction.

Based on our scope of review and subject to the restrictions, qualifications and assumptions set out herein, we are of the opinion that the fair market value of each Minority Unit as at the Valuation Date is between $0.88 and $1.05, as summarized on Schedule 1 attached hereto.

SENSITIVITY ANALYSIS

BDO conducted a series of sensitivity analyses. Decreases in forecasted earnings and WACC did not have a significant impact on the conclusion of value under the DCF method, primarily because the value of the land and building comprises the majority of the overall value of the Enterprise.

BDO conducted the following sensitivity analysis:

Change in Valuation Metric	**Impact on Mid-point Enterprise Value under DCF Approach**	**Impact on Mid-point Fair Market Value of Minority Unit**
Decrease in equity risk premium by 5%	+ 8.0%	+2.0%
Increase in equity risk premium by 5%	- 5.2%	- 1.0%
Decrease in annual operating cash flow by 10%	- 2.4%	- 1.0%
Decrease in annual operating cash flow by 20%	- 4.9%	- 2.9%
Increase in annual operating cash flow by 10%	+ 2.4%	+ 2.0%

COMPARISON TO TRADING PRICE

Our opinion as to the range of fair market value of the Minority Units of $0.88 and $1.05 is greater than the weighted average trading price of the Fund Units in March 2008 of $0.77 per Fund Unit (based on a range of trading prices of $0.65 to $1.00 per Fund Unit).

Possible reasons for this difference include:

- The trading activity in March 2008 was comprised of trades of Minority Units, and likely reflect a discount for marketability and control;
- The trading volumes are very thin, such that the market may be inefficient, having not fully reflected all of the available information about AIM's business. For instance, the substantial value of the Hartley Property may not be known to investors;
- The public float is small, with Clarke Inc. holding the majority of the Fund Units;
- The public float consists of the Minority Unitholders, who have not received cash distributions and who, lacking control, cannot unlock the inherent value of the underlying assets of AIM; and
- There are no analysts actively following AIM to communicate value metrics relative to current trading prices.

PRIOR VALUATIONS

Senior management of AIM has represented to BDO that, to the best of its knowledge, there have not been any prior valuations (as defined in MI 61-101) of the Fund or its material assets or securities in the 24 month period prior to the date of this report, except as follows:

Colliers International Realty Advisors Inc. ("Colliers") appraised the value of the land and building at 2000 Hartley Avenue, Coquitlam, B.C. as having a market value of $14.8 million at March 18, 2008.

ASSUMPTIONS

In preparing our Report, we have made the following assumptions, in addition to the assumptions noted elsewhere herein:

- Management of AIM and its representatives have made available to us all information requested and all information they believe to the best of their knowledge is relevant to the preparation of our Report (the "Information"). The Information provided by or on behalf of AIM is complete, accurate and fairly presented at the date the Information was provided to us and, since that date, there has been no material change, financial or otherwise, and there has been no change of any known material fact which is of a nature as to render the Information untrue or misleading in any material respect, as at the Valuation Date.

- The assumptions underlying the forecast have been reasonably prepared on bases reflecting the best currently available information and estimates and judgments of Management.
- The statements of fact contained in this Report are true and correct.
- Income tax laws pending or prevailing at the Valuation Date will continue in the foreseeable future.
- The appropriate corporate income tax rate applicable to AIM is 31.0% for 2008, 30.0% for 2009, 29.0% for 2010, 27.5% for 2011 and 26.0% for 2012 and thereafter.
- All assets, wherever located, to which AIM had ownership rights of any nature, have been recorded in the accounts of AIM and represent a continuing benefit to AIM.
- There are no assets, other than outlined herein, which are redundant to AIM's operations.
- Where the values of any assets of AIM are impaired, these have been reflected in the accounts of AIM or have otherwise been disclosed to us. Any pledge or assignment of any assets of AIM as security for liabilities has also been disclosed to us.
- All liabilities are recorded in the accounts of AIM and there are no contingent liabilities, unusual contractual obligations, substantial commitments (other than in the ordinary course of business), or litigation, pending or threatened, which would materially affect AIM's financial statements, except as noted herein.
- The fair market value of AIM's assets and liabilities as at the Valuation Date are not significantly different from their respective book values as at March 31, 2008, except as noted herein.
- As at the Valuation Date, AIM was not in breach of any terms or conditions associated with any agreements to which it was a party that would result in a material change in the commitments made by, or to AIM under said agreements.
- There were no environmental concerns or contingencies regarding either the operations of AIM or the assets of AIM known to Management that have not been disclosed to us.
- The costs associated with being a public company are properly excluded from the cash flow forecast beginning in 2008.
- The financial statements referred to in our scope of review fairly reflect the financial position and financial results of AIM.
- There are no significant adjustments required to normalize AIM's income and/or cash flows, other than outlined herein.
- There were no special purchasers evident in the marketplace, being parties for particular reasons such as competitive advantage, economies of scale and others who might pay a premium to purchase the operations of AIM above the values set out herein.

- Key members of Management would sign non-compete agreements and/or management contracts for a period of time in order to ensure a smooth transition that would allow AIM to maintain its supplier and customer relationships.
- There were no facts known to Management not disclosed to us that might materially affect the amounts noted herein.

Should you wish to discuss the results of our findings or require further clarification, we will be pleased to meet with you at your convenience.

Yours truly,

(signed) “BDO Dunwoody Valuation Inc.”

Margaret C. McFarlane, LLB, CA•IFA/CBV
Senior Vice-President

/cef

Appendix A

SCOPE OF REVIEW

In arriving at our conclusions, we have reviewed and relied on the following information:

General

1. Art In Motion Income Fund March 2007 Confidential Information Memorandum prepared by Capital West Partners.
2. Management Financial Plan entitled "Forecast 2008 – Consolidated Forecast", discussion memorandum and supporting tables for 2007 to 2010.
3. Management-prepared PowerPoint presentation on Art in Motion, prepared for Clarke Inc.
4. One-Time Costs listing of non-recurring costs for 2006 to 2008.
5. Art In Motion Limited Partnership Working Capital working paper as at December 31, 2005 to 2007 and March 31, 2008.
6. Art In Motion Income Fund Public Costs listing of costs association with being a public or private company.
7. Art In Motion Limited Partnership Fixed Asset Continuity Schedule as at March 31, 2008.
8. Art In Motion Income Fund Initial Public Offering Prospectus date July 22, 2004.
9. Distribution History for cash distributions recorded and paid from August 31, 2004 to August 15, 2007.
10. Transaction Agreement between GVP Holdings Inc., Clarke Inc. and Garry Peters and Victoria Peters dated December 19, 2007.
11. Art In Motion Limited Partnership Capital Accounts.
12. Management prepared Art In Motion Limited Partnership Liquidation Valuation calculation as at March 31, 2008, December 31, 2007 and September 30, 2007.
13. Clarke Inc. Memorandum of Analysis of Value of Class C Limited Partner Units of Art In Motion Limited Partnership dated March 11, 2008.
14. Art In Motion Discussion Memorandum dated April 16, 2007 discussing the tax implications to unitholders should there be a sale of the operating business or securities of Art in Motion Income Fund, AIM Holdings Trust or Art in Motion Limited Partnership.
15. Art In Motion Limited Partnership Amended and Restated Agreement of Limited Partnership dated July 27, 2004.
16. Art In Motion Income Fund Exchange Agreement dated August 3, 2004.

17. Management-prepared list of artists under contract at the Valuation Date.
18. Management-prepared list of top sales by customer for the years 2005, 2006, 2007 and Q1 of 2008.
19. Sample Artist Agreement.
20. Sample Sublicense Agreement.
21. Memorandum prepared by Marion Shaw, Bull, Housser & Tupper LLP dated May 22, 2008 regarding legal issues pertaining to the Class C Limited Partnership units.
22. Correspondence with Allan Achtemichuk, CFO of Art in Motion Income Fund.
23. Publicly available information on www.sedar.com, www.clarkeinc.com, www.artinmotion.com, www.aimincomefund.com.
24. Sample copy of the Capital West Partners bid process letter together with cover email dated May 30, 2008.

Customers and Suppliers

25. Listing of Sales by Customer, 2003 to 2007 and the three months ended March 31, 2008 provided by management.
26. Memorandum dated May 22, 2008 regarding legal issues related to Class C Limited Partnership Units, prepared by Marion Shaw, Bull Housser & Tupper, independent counsel for the Special Committee of the Board of Directors of Art in Motion Income Fund.

Organization

27. List of corporate entities and organizational chart as of March 31, 2007.

Financial Statements

28. Art In Motion Income Fund Q1 2008 interim financial statements for the period ended March 31, 2008.
29. Management’s Discussion and Analysis as at May 7, 2008 for the three months ended March 31, 2008.
30. Consolidated Financial Statements of Art In Motion Income Fund for the year ended December 31, 2007 audited by KPMG.
31. Management’s Discussion and Analysis as at February 29, 2007 for the year ended December 31, 2007.
32. Annual Reports of Art In Motion Income Fund for the period ended December 31, 2004 and the years ended December 31, 2005 to 2006.

33. Annual Information Forms for Art In Motion Income Fund for the period ended December 31, 2004 and the years ended December 31, 2005 to 2007.
34. Management's Discussion and Analysis as at March 17, 2005 for the period ended December 31, 2004.
35. Management-prepared consolidation working papers for 2006 and 2007.

Prior Valuations

36. Valuation of Identifiable Intangible Assets as at April 30, 2004, dated July 5, 2004, prepared by BDO Dunwoody LLP.
37. Working Papers prepared by KPMG LLP to test for impairment of identifiable intangible assets and goodwill as at March 31, 2006 and 2007.
38. Appraisal of 2000 Hartley Avenue, Coquitlam, BC as at March 18, 2008 prepared by Colliers International Realty Advisors Inc.
39. City of Coquitlam 2008 Property Assessment as at July 1, 2007 for 2000 Hartley Avenue.

Corporate Tax Returns

40. Various partnership income returns and T3 trust income returns for Art In Motion Limited Partnership, Art In Motion GP Ltd., AIM Holdings Trust and Art In Motion Income Fund subsidiary companies for 2005 to 2007.
41. Management prepared Estimate of Future Tax Deduction Usage for 2007 to 2012.
42. Management prepared Art In Motion Income Trust Tax Costs Estimates for 2007 to 2011.

Market Information - General

43. Annual reports and various other publicly available documents of the selected comparable public companies as well as analysts reports covering the selected comparable public companies.
44. Various publicly available documents containing information with regard to the industries and markets in which Art In Motion Income Fund operates as well as the general economy.
45. Public company data and transaction data obtained from Capital IQ.
46. A letter of representation from management of Art In Motion Income Fund confirming certain representations made to us including a general representation that they had no information or knowledge of any facts or material information not specifically noted in this letter which, in their view, would reasonably be expected to affect the information or conclusions contained herein.

47. Under the terms of our engagement we have not sought external verification of the information provided by Art In Motion Income Fund, Art In Motion Limited Partnership and related entities.

($000s, except per Unit calculations) Schedule 1

		Low	High
Going Concern Approach Valuation			
En Bloc Fair Market Value of Equity	*(Schedule 2)*	9,370	11,270
Fair market value per Minority Unit Assuming dilution by Class B LP Units and Class C LP Units converted into Units		**$ 0.88**	**$ 1.05**
Midpoint			**0.96**

Supplementary Information for comparative purposes		
Selected range of recent stock prices of the Fund's Units		
Trading price range of Units in March 2008	**$ 0.65**	**$ 1.00**
Trading price of Units at March 31, 2008		**$ 0.65**
Clarke Inc. Acquisition Prices per Unit		
For the Belkin and GVP Units, negotiated December 2007		**$ 1.15**

ART IN MOTION INCOME FUND

Valuation as at March 31, 2008
En Bloc Fair Market Value of Enterprise and Equity
Inclusive of Non-Controlling Interest
Using Going Concern Approaches
Assuming Land and Building are Redundant to Operations
Schedule 2

($000s, except per Unit figures)

		Enterprise Value Range		% Weight
		Low	High	
Income Approach:				
Discounted cash flow method	*(Schedule 3)*	13,174	13,554	20.0%
Asset Approach:				
Adjusted net book value method	*(Schedule 5)*	15,135	15,135	20.0%
Liquidation value method	*(Schedule 6)*	11,604	13,990	20.0%
Market Approach:				
Comparable company method	*(Schedule 7)*	9,805	11,692	20.0%
Comparable transaction method	*(Schedule 9)*	9,314	14,166	20.0%
En Bloc Fair Market Value of the Enterprise (weighted average of scenarios)		11,800	13,700	100.0%

		Low	High
En Bloc Fair Market Value of the Enterprise		11,800	13,700
Less: Interest-bearing debt less cash on hand	*(Schedule 11)*	(2,430)	(2,430)
En Bloc Fair Market Value of Equity		**9,370**	**11,270**
Number of Fund Units, Class B LP Units and Class C LP Units		**10,706,760**	**10,706,760**
En Bloc Fair Market Value of Equity per Unit ($)		**$ 0.88**	**$ 1.05**

ART IN MOTION INCOME FUND
Valuation as at March 31, 2008
Discounted Discretionary Cash Flow Valuation
Inclusive of Non-Controlling Interest
Treating Land and Building as Redundant to Operations
Schedule 3

($000s)

		Forecasted								Terminal Value	Terminal Value
		For the Nine Months Ending December 31,	For the Years Ending December 31,								
		Q2 - Q4 2008	2009	2010	2011	2012	2013	2014	2015	2016	2016
Change year to year in sales	Notes		*12%*	*10%*	*5%*	*0%*	*0%*	*0%*	*0%*	*0%*	
Revenues											
Sales	*(Note 1)*	20,549	30,012	33,046	34,698	34,698	34,698	34,698	34,698	34,698	
Royalties		1,366	1,995	2,101	2,206	2,206	2,206	2,206	2,206	2,206	
Total revenues		21,915	32,007	35,147	36,904	36,904	36,904	36,904	36,904	36,904	
Cost of goods sold		16,053	22,963	24,973	26,222	26,222	26,222	26,222	26,222	26,222	
Gross margin	*(Note 2)*	5,862	9,044	10,174	10,683	10,683	10,683	10,683	10,683	10,683	
		26.7%	*28.3%*	*28.9%*	*28.9%*	*28.9%*	*28.9%*	*28.9%*	*28.9%*	*28.9%*	
Operating expenses											
General and administrative		2,015	3,074	3,208	3,369	3,369	3,369	3,369	3,369	3,369	
Image and product development		699	1,067	1,113	1,169	1,169	1,169	1,169	1,169	1,169	
Selling		2,909	4,438	4,632	4,864	4,864	4,864	4,864	4,864	4,864	
Rent		679	905	905	905	905	905	905	905	905	
Net change in forward foreign exchange contracts		575	-	-	-	-	-	-	-	-	
Net saving due to ceasing to be public		(300)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	
		6,578	8,884	9,259	9,707	9,707	9,707	9,707	9,707	9,707	
EBITDA		(716)	160	915	976	976	976	976	976	976	
		-3.3%	*0.5%*	*2.6%*	*2.6%*	*2.6%*	*2.6%*	*2.6%*	*2.6%*	*2.6%*	
Income tax	*(Note 3)*	-	-	-	-	-	-	-	-	(254)	
Operating cash flow		(716)	160	915	976	976	976	976	976	722	
Sustaining capital expenditures	*(Note 4)*	(225)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(200)	
Investment in working capital		(1,227)	(490)	(437)	(244)	-	-	-	-	-	
Discretionary cash flow (unlevered free cash flow)		(2,168)	(580)	228	481	726	726	726	726	522	522
Terminal multiple	*(Sch. 4)*									6.2 x	6.9 x
Terminal value										3,256	3,600
Estimated value of tax assets											
Available capital expenditure tax shields	*(Note 4)*									388	388
Tax shield on existing capital assets, except CEC	*(Note 5)*									252	252
Tax shield on existing CEC	*(Note 5)*									637	637
										4,533	4,877
Discount calculations	*(Note 6)*										
Discount period		0.3767	1.2534	2.2534	3.2534	4.2534	5.2534	6.2534	7.2534	7.2534	7.2534
Discount factor based on high WACC, *(Sch. 4)*	16.03%	0.9455	0.8300	0.7153	0.6165	0.5313	0.4579	0.3946	0.3401	0.3401	
Present value of Discretionary Cash Flow and Terminal Value		(2,050)	(481)	163	297	386	332	287	247	1,542	
Discount factor based on low WACC, *(Sch. 4)*	14.50%	0.9503	0.8439	0.7370	0.6437	0.5622	0.4910	0.4288	0.3745		0.3745
Present value of Discretionary Cash Flow and Terminal Value		(2,060)	(489)	168	310	408	356	311	272		1,826

		WACC Range	
		High	Low
Sum of Discounted Cash Flows	*(Note 6)*	**723**	**1,103**
Add net realizable value of land and building	*(Note 7)*	12,451	12,451
Fair market value of the enterprise based on the DCF Approach		**13,174**	**13,554**

Notes

1. Per Management, revenue was assumed to improve in 2009 through 2011 due to the recovery of the United States economy and efforts by AIM to improve its marketing strategy and to refocus / enhance its product options to be more on-trend and value-oriented.
2. Per Management, the gross margin during 2009 to 2011 was assumed to improve as there will be opportunities to increase prices in 2009 and 2011 as the United States and other global economies begin to recover in 2009.
3. Tax rate was assumed at 31.0% for 2008, 30.0% for 2009, 29.0% for 2010, 27.5% for 2011 and 26.0% for 2012 and thereafter based on British Columbia general active business income tax rates enacted as of the February 19, 2008 Provincial Budget.
4. Management has estimated annual sustaining capital expenditures in the range of $200.0 thousand to $300.0 thousand. Applicable tax shield was calculated assuming $250.0 thousand annual expenditure, a rate of return equal to WACC, CCA of 30% and tax rates as noted in the preceding note, resulting in an approximate tax shield of approximately $50.0 thousand in a year assuming taxable income. Capital expenditures were not reduced for the tax shield in 2008 (9 months) to 2015 due to utilization of tax pools and losses carried forward. The tax shield for these years, $388 thousand in aggregate, is added to terminal value.
5. We added the estimated values of tax shield on existing capital assets and CEC to the terminal value, adjusted for any CCA and ECE taken during the 2008 to 2011 period. We used a tax rate was 26.0% and a rate of return equal to WACC. As the amount of CEC available for future deductions is limited by taxable income, we have pro-rated the total tax shield on CEC based on net earnings before income taxes, after deduction of CCA, in the terminal year.
6. The discount period represents the time in years to the valuation date, and takes into account the half-year approximation, whereby cash flows are assumed to occur mid-year instead of at the end of each year. The Weighted Average Cost of Capital, WACC, represents a blended discount rate reflecting the required rates of return of debt and equity holders. Consequently the discounted cash flow value represents value to both debt and equity holders.
7. We have assumed a sale price at the appraised value of $14.8 million (allocated $7.721 million to building based on assessed value, and balance to land) less 3% commission less 100% of corporate income taxes on taxable capital gain of $3.86 million and recapture of $325 thousand.

($000s) Schedule 4

Cost of debt					
Interest for 3-months ended March 31, 2008				55	
Total debt as at March 31, 2008				3,500	
Pre-tax cost of debt implied from interest expense and and total debt (for 3 months ended March 31, 2008)				6.29%	
Income tax rate				31.00%	
After-tax cost of debt				**4.34%**	**A**
Cost of equity					
Selected unlevered equity beta	*(Note 1)*			1.01	
Optimal capital structure of subject	*(Note 2)*			35.00%	**C**
Debt-to-equity ratio				53.85%	
Selected marginal tax rate of subject	*(Note 3)*			31.00%	
Levered equity beta	*(Note 4)*			**1.38**	
Risk free rate	*(Note 5)*			3.43%	
Equity risk premium	*(Note 6)*			5.00%	
Levered equity beta				1.38	
Cost of equity capital before unsystematic risk	*(Note 7)*			10.33%	
Unsystematic risk factors:					
Size premium	*(Note 8)*			5.82%	
Company-specific risk	*(Note 9)*			5.00%	
Subject's cost of equity capital	*(Note 10)*			**21.15%**	
After-tax cost of equity				**21.15%**	**B**
Weighted average cost of capital ("WACC") calculated from above (A x C) + (B x (1- C))				**15.27%**	**D**
WACC range, plus or minus 5%		**14.50%**	**to**	**16.03%**	
Terminal Multiple	*(Note 11)*	**6.9**	**to**	**6.2**	

Notes

1. We used the median unlevered beta for the guideline companies discussed in the Report. Median levered raw beta for SIC 571 (Home furniture and furnishings stores) based on 2007 Ibbotson - Cost of Capital Year Book was 0.96 and Unlevered adjusted beta was 0.79.
2. Based on our analysis of the existing capital structure and debt capacity of the Fund, review of debt covenant requirements, and review of the capital structures of the guideline companies.
3. The average 2008 corporate income tax rate for a corporation based in British Columbia.
4. Levered equity beta = unlevered equity beta x [1 + (1 - tax rate) x debt-to-equity]
5. Risk free rate assumed at 10-year Government of Canada Bond yield per Bank of Canada.
6. The equity risk premium represents the incremental return investors require as compensation for the added risk associated with equity investments as compared to risk-free securities. We have selected an equity risk premium of between 4% and 6%.
7. Cost of equity capital before unsystematic risk = Risk free rate + [equity beta x equity risk premium].
8. Based on SBBI Valuation Edition 2008 Yearbook by Ibbotson Associates, size premium over CAPM for 10th decile based on companies with market capitalization between US$1.9 million to US$363 million.
9. We set the company specific risk premium at 5% to account for the uncertainty of a successful turnaround such that the forecast cash flows will be achieved. Please see the Report for a listing of specific company risk factors.
10. We noted that median cost of equity capital (CAPM + size premium) for SIC 571 (Home furniture and furnishings stores) based on 2007 Ibbotson - Cost of Capital Year Book was 15.34%. The higher rate attributable to the Fund takes into account its recent poor performance relative to the market.
11. Equal to 1 divided by WACC. In the interests of conservatism, we have assumed no revenue growth, in real terms, in the terminal year and beyond.

ART IN MOTION INCOME FUND

Valuation as at March 31, 2008
Adjusted Book Value
Inclusive of Non-Controlling Interest
Assuming Land and Building are Redundant to Operations

($000s) Schedule 5

	Notes	Reported Book Value Mar. 31, 2008 (Sch. 11)	Adjust- ments	Adjusted Book Value: Net Operating Assets	Redundant Assets/Liabilities at Market Value
Current					
Cash		1,070	-	1,070	
Accounts Receivable		3,321	-	3,321	
Inventories		2,983	-	2,983	
Prepaid expenses and deposits		546	-	546	
Forward foreign exchange contracts		475	-	475	
		8,395	-	8,395	
Property, plant and equipment					
Land and building	*(Note 1)*	9,284	5,516		14,800
Less income tax and disposition cost			(2,349)		(2,349)
Computer		343	-	343	
Office and telephone		318	-	318	
Plant and production equipment		1,032	-	1,032	
Leasehold improvements	*(Note 2)*	143	(143)	-	
		11,119	3,024	1,693	
Intangible asset - customer base	*(Note 3)*	599	(599)	-	
		20,113	2,425	10,088	
Current					
Accounts payable and accrued liabilities		3,569	-	3,569	
Long-term debt		3,500	-	3,500	
		7,069	-	7,069	
Unitholders' equity, before deducting non-controlling interest		13,044	-		
Tangible asset backing before tax shield				3,019	
Less: Tax shield foregone	*(Note 4)*			(18)	
Adjusted book value				3,001	
Net redundant assets					12,451
Adjusted Book Value of Enterprise at March 31, 2008					
Sum of adjusted book value of net operating assets plus net redundant assets					15,452
Add back long-term debt net of cash on hand *(Sch. 11)*					2,430
Less losses for 1.75 year period ended Dec. 31, 2009 *(Sch. 3)*				*(Note 5)*	(2,747)
Adjusted Book Value of Enterprise					**15,135**

Notes

1. We were advised by management that the fair market value of capital assets at the valuation date is not materially different from their net book value at March 31, 2008, except for the land , building and leasehold improvements. The property was appraised by Colliers International Realty Advisors Inc. as having a market value of $14.8 million at March 18, 2008. Real estate commission is calculated at 3% of $14.8 million. Corporate income tax is accrued at rates prevailing at the Valuation Date on taxable capital gain of $3.86 million and recapture of $325 thousand.
2. Included in the appraised value of the land and building.
3. We excluded the book value of intangible assets for the purposes of this part our analysis. Based on the overall value conclusion these have a value of Nil at the Valuation Date.
4. The tax shield foregone estimates the tax savings lost when shares rather than assets of a company are purchased. The tax shield foregone quantifies the tax advantage of higher deductions for tax purposes resulting from the restatement of asset values from book value to value-in-use when assets are purchased. The assumptions in the calculation of tax shield include a tax rate of 31% and a discount rate equal to WACC.
5. Forecast losses over this period would erode the assets of the Fund and accordingly, would be considered by a prospective purchaser in computing the adjusted book value of the enterprise at the Valuation Date.

ART IN MOTION INCOME FUND

Valuation as at March 31, 2008
En Bloc Orderly Liquidation Value
Inclusive of Non-Controlling Interest

($000s, except per Unit figures) Schedule 6

	Net Book Value March 31, 2008 *(Sch. 11)*	Estimated Realization % (Range)		Estimated Realizable Value (Range)	
Assets					
Cash	1,070	100%	100%	1,070	1,070
Accounts Receivable	3,321	55%	75%	1,827	2,491
Inventories	2,983	40%	55%	1,193	1,641
Prepaid expenses and deposits	546	5%	10%	27	55
Forward foreign exchange contracts	475	90%	100%	428	475
Land and building *(Note 1)*	9,273	160%	160%	14,800	14,800
Office and IT equipment	637	10%	20%	64	127
Plant and production equipment	1,058	15%	25%	159	265
Leasehold improvements	151	0%	20%	-	30
Intangible assets	599	0%	40%	-	240
	20,113			19,567	21,193
Liabilities					
Accounts payable and accrued liabilities	3,569			3,569	3,569
Long-term debt	3,500			3,500	3,500
	7,069			7,069	7,069
Net proceeds before liquidation costs	13,044			12,498	14,124
Liquidation costs					
Employee severance, *(Note 2)*				1,600	1,200
Lease commitments	1,800	60%	40%	1,080	720
Commission on sale of real estate				444	444
Legal and accounting				200	200
				3,324	2,564
Liquidation value of equity, including non-controlling interest *(Note 3)*				9,174	11,560

	Designated Capital and Current Account Balances ($000s), *(Note 4)*		Estimated Realizable Value Per Unit (Range)	
Class A LP Units	4,228	32%	2,979	3,754
Class B LP Units	805	6%	567	715
Class C LP Units	7,985	61%	5,627	7,091
	13,018	100%	9,174	11,560
Per Unit calculations				
Class A LP Units, *(Note 5)*			**$ 0.37**	**$ 0.47**
Class B LP Units			**$ 1.06**	**$ 1.34**
Class C LP Units			**$ 2.63**	**$ 3.31**
Liquidation value of enterprise, before non-controlling interest *(Note 6)*			**11,604**	**13,990**

Notes

1. The property was appraised by Colliers International Realty Advisors Inc. at $14.8 million as at March 18, 2008.
2. We have assumed an orderly liquidation processs sufficient to provide the required period of notice under the Employment Standards Act, B.C.
3. The realization adjustments and liquidation costs will produce a net non-capital loss, which we have assumed will have a Nil value.
4. Balances provided by management. BDO has not audited or otherwise verified these amounts.
5. Assumed to be equal in value to the Units of the Art In Motion Income Fund.
6. Liquidation value of equity plus long-term debt less cash on hand.

Enterprise Value based on Guideline Public Company Multiples

($000s) Schedule 7

		Low	High
Selected multiple			
TEV / LTM Revenue	*(Schedule 8)*	0.46 x	0.46 x
Estimated 2008 Revenue	*(Sch. 3 and 12)*	28,486	
Estimated 2009 Revenue	*(Schedule 3)*		32,007
Implied Value of the Enterprise	*(Note 1)*	13,026	14,637
Selected multiple			
TEV / LTM EBITDA	*(Schedule 8)*	5.17 x	7.75 x
Discount from Guideline Multiples for Company-specific risks	*(Note 2)*	30%	40%
Adjusted TEV/LTM EBITDA multiple		3.62 x	4.65 x
Estimated 2010 EBITDA	*(Note 3)*	1,820	
Estimated 2011 EBITDA	*(Note 3)*		1,881
Implied Value of the Enterprise	*(Note 1)*	6,584	8,748
En Bloc Fair Market Value of the Enterprise - Guideline company method	*(Note 4)*	**9,805**	**11,692**

Notes

1. TEV (Total Enterprise Value) in TEV/LTM Revenue and TEV/EBITDA multiples is derived from the following formula: Market capitalization + debt (current and long-term) + minority interest + preferred shares - cash and short-term investments. On Schedule 2, we deduct total existing debt net of cash on hand from enterprise value which is consistent with the above formula.
2. We applied a discount factor to the multiple derived from the guideline company analysis to account for the risk of unsuccessful turnaround for AIM as well as the expectation that AIM will under-perform the guideline companies in terms of profitability until at least 2010.
3. 2010 and 2011 Forecast EBITDA per Schedule 3 with rent expense added back. Our analysis of the guideline companies indicated that real property was a very small component of overall enterprise value, and accordingly applying the market-based TEV/EBITDA multiple to the EBITDA net of rent expense for the Fund, would produce an under-valuation of the Fund's operations.
4. Average of enterprise values derived by using TEV/Revenue multiple and TEV/EBITDA multiple.

Company Name *(Note 1)*	Stock Price *(Note 2)*	Shares Outstanding	Market Cap	Net Debt (Debt - Cash)	Total Preferred shares	Minority interest	TEV	LTM Revenue	LTM EBITDA	LTM EBIT	TEV/LTM Total Rev	TEV/LTM EBITDA	TEV/LTM EBIT
		Figures in millions											
Home Furnishings Manufacturing, Sourcing, and Retail													
Bed Bath & Beyond Inc.	29.50	261.95	7,727.6	-	-	-	7,350.4	7,110.7	1,042.1	888.5	1.03 x	7.05 x	8.27 x
Cost Plus Inc.	3.35	22.09	74.0	141.6	-	-	212.3	1,023.9	(7.0)	(43.6)	0.21 x	NA	NA
Decorize Inc.	0.21	26.75	5.6	5.4	0.7	-	11.4	15.4	(0.2)	(0.3)	0.74 x	NA	NA
Ethan Allen Interiors Inc.	28.43	29.02	825.1	203.0	-	-	941.8	1,013.3	145.2	121.5	0.93 x	6.49 x	7.75 x
Kirkland's Inc.	1.27	19.68	25.0	-	-	-	19.2	396.7	(0.6)	(20.2)	0.05 x	NA	NA
Pier 1 Imports Inc.	6.28	88.54	556.1	184.0	-	-	657.4	1,548.8	(85.4)	(142.0)	0.42 x	NA	NA
Silvergraph International Inc.	0.09	36.06	3.2	1.5	-	-	4.7	0.3	(1.1)	(1.2)	14.72 x	NA	NA
Williams-Sonoma Inc.	24.24	106.08	2,571.3	26.0	-	-	2,478.3	3,944.9	454.1	313.4	0.63 x	5.46 x	7.91 x
Art Publishing and Creative Content Management													
Getty Images Inc.	32.00	59.63	1,908.0	345.0	-	-	1,888.6	857.6	292.4	201.6	2.20 x	6.46 x	9.37 x
Jupitermedia Corp.	2.09	35.94	75.1	84.1	-	-	151.9	140.3	23.9	6.6	1.08 x	6.35 x	23.18 x

	TEV/LTM Total Rev	TEV/LTM EBITDA	TEV/LTM EBIT
Average	2.20x	6.36x	11.30x
Median	0.83x	6.46x	8.27x
Selected Multiple Range - Low, *(Note 3)*		**5.17x**	
Selected Multiple Range - High, *(Note 3)*		**7.75x**	
Average for unprofitable companies excluding outliers Silvergraph and Kirklands	**0.46 x**		

Notes

1. Comparable companies were selected based on our review of their business descriptions and our discussions with the management of Art in Motion Income Fund. Data was obtained from Capital IQ and other publicly available documents.
2. Stock prices are as at March 31, 2008.
3. The high and low ends of the range of TEV/ LTM Total Rev, TEV/LTM EBITDA and TEV/LTM EBIT multiples are based on the median multiples for the selected comparable companies, plus or minus 20%.

ART IN MOTION INCOME FUND

Valuation as at March 31, 2008

Enterprise Value based on Guideline Transaction Multiples

($000s) Schedule 9

		Low	High
Selected multiple			
TEV / LTM Revenue	*Schedule 10*	0.35 x	0.53 x
Estimated 2008 Revenue	*Sch. 3 and 12*	28,486	
Estimated 2009 Revenue	*Schedule 3*		32,007
Implied Value of the Enterprise	*Note 1*	10,042	16,924
Selected multiple			
TEV / LTM EBITDA	*Schedule 10*	6.74 x	10.11 x
Discount from Guideline Multiples for			
Company-specific risks	*Note 2*	30%	40%
Adjusted TEV/LTM EBITDA multiple		4.72 x	6.07 x
Estimated 2010 EBITDA	*Note 3*	1,820	
Estimated 2011 EBITDA	*Note 3*		1,881
Implied Value of the Enterprise	*Note 1*	8,587	11,408
En Bloc Fair Market Value of the Enterprise			
- Guideline transaction method	*Note 4*	**9,314**	**14,166**

Notes

1. TEV (Total Enterprise Value) in TEV/LTM Revenue and TEV/EBITDA multiples is derived from the following formula: Market capitalization + debt (current and long-term) + minority interest + preferred shares - cash and short-term investments. On Schedule 2, we deduct total existing debt net of cash on hand from enterprise value which is consistent with the above formula.
2. We applied a discount factor to the multiple derived from the guideline transaction analysis to account for the risk of unsuccessful turnaround for AIM as well as the expectation that AIM will under-perform the guideline companies in terms of profitability until at least 2010.
3. 2010 and 2011 Forecast EBITDA per Schedule 3 with rent expense added back. Our analysis of the guideline companies indicated that real property was a very small component of overall enterprise value for companies in this industry, and accordingly applying the market-based TEV/EBITDA multiple to the EBITDA net of rent expense for the Fund, would produce an under-valuation of the Fund's operations.
4. Average of enterprise values derived by using TEV/Revenue multiple and TEV/EBITDA multiple.

Date	Target *(Note 1)*	Buyer	Implied TEV/LTM Total Rev	Implied TEV/LTM EBITDA
09/14/2007	MCS Industries, Inc. (nka:Water Blast Manufacturing B.C. Ltd.)	Water Blast Group	0.26 x	NA
07/01/2006	Taresha LLC, Home Decore	Nitches Inc.	0.47 x	NA
09/01/2005	Lenox Inc.	Lenox Group Inc.	0.38 x	6.95 x
01/29/2004	Thomas Kinkade Company	NA	0.41 x	NM
10/31/2006	Michaels Stores Inc.	Bain Capital Fund IX, L.P.; Bain Capital, LLC; Blackstone Capital Partners V, L.P.; Highfields Capital Management, LP; The Blackstone Group, Private Equity Group	1.52 x	12.23 x
02/14/2006	Linens Holding Co.	Apollo Management, L.P.; National Realty & Development Corp.; Silver Point Capital L.P.	0.48 x	8.42 x
		Average	0.59x	9.20x
		Median	0.44x	8.42x
		Selected Multiple Range - Low, (*Note 2)*	**0.35x**	**6.74x**
		Selected Multiple Range - High, *(Note 2)*	**0.53x**	**10.11x**

Notes

1. Transactions involving comparable target companies were selected based on our review of their business descriptions and similarity with the operations of Art In Motion Income Fund. Data was obtained from Capital IQ and other publicly available documents.
2. The high and low ends of the range of TEV/ LTM Total Rev and TEV/LTM EBITDA multiples are based on the median multiples, plus or minus 20%, implied in the selected transactions involving comparable target companies.

Consolidated Balance Sheet Summary

($000s) Schedule 11

	As at December 31,				As at March 31,
	2004	2005	2006	2007	2008
ASSETS	*(Note 1)*	*(Note 1)*	*(Note 1)*	*(Note 1)*	*(Note 2)*
Current					
Cash	1,881	3,448	622	221	1,070
Accounts Receivable	12,325	8,802	5,850	4,675	3,321
Forward foreign exchange contracts	4,781	3,679	597	1,295	475
Inventories	6,470	5,942	5,064	3,506	2,983
Prepaid expenses and deposits	1,326	919	442	427	546
	26,783	22,790	12,575	10,124	8,395
Property, plant and equipment	19,652	18,641	17,905	11,159	11,119
Forward foreign exchange contracts	2,333	878	-	-	-
Interest rate swap	-	136	-	-	-
Deferred financing costs	43	26	10	-	-
Intangible assets	17,282	11,548	4,455	1,047	599
Goodwill	64,210	29,384	-	-	-
Total Assets	130,302	83,403	34,945	22,330	20,113
LIABILITIES					
Current					
Indebtedness	662	-	-	215	-
Accounts payable and accrued liabilities	7,341	5,289	4,293	2,541	3,569
Distributions payable	892	428	428	-	-
Due to related party	57	-	-	-	-
Current portion of long term debt	-	-	14,000	3,500	-
	8,953	5,717	18,721	6,256	3,569
Long-term debt	20,000	20,000	-	-	3,500
Forward foreign exchange contracts		-	32	-	-
Interest rate swap	171	-	-	-	-
Non-controlling interest	27,736	18,639	9,261	9,629	8,891
	56,860	44,356	28,014	15,885	15,960
Unitholders' equity					
Unitholders' capital	72,714	72,714	72,714	72,714	72,714
Retained earnings (deficit)	728	(33,667)	(65,783)	(66,269)	(68,561)
	73,442	39,047	6,931	6,445	4,153
Total Liabilities and unitholders' equity	130,302	83,403	34,945	22,330	20,113
Supplementary Information					
Account receivable turnover		6.2	7.0	7.4	
Inventory turnover		7.4	6.6	6.7	

1. Annual Financial Statements audited by KPMG LLP
2. Q1 Interim Financial Statements to March 31, 2008, Unaudited

($000s, except per Unit figures) | Schedule 12

	For 151 days ended December 31, 2004 (Note 1)	For the year ended December 31, 2005 (Note 1)	2006 (Note 1)	2007 (Note 1)	For 3 months ended March 31, 2008 (Note 2)
Revenue - change in period or year		*-27%*	*-22%*	*-24%*	*-55%*
Revenues					
Sales	32,969	63,030	49,688	36,999	6,171
Royalties	1,812	2,776	1,777	1,918	400
	34,781	65,806	51,465	38,917	6,571
Cost of goods sold, *(Note 3)*	23,544	45,775	36,190	28,728	5,003
Gross Margin	11,237	20,031	15,275	10,189	1,568
	32.3%	*30.4%*	*29.7%*	*26.2%*	*23.9%*
Expenses					
Amortization, *(Note 4)*	2,676	6,432	7,903	3,784	509
General and administrative	2,542	5,494	3,800	4,025	2,034
Image and product development	690	1,778	1,413	1,178	267
Interest and bank charges	586	1,312	1,237	503	83
Selling	3,734	8,474	6,121	4,684	1,395
	10,228	23,490	20,474	14,174	4,288
	29.4%	*35.7%*	*39.8%*	*36.4%*	*65.3%*
Income (loss) before under-noted items	1,009	(3,459)	(5,199)	(3,985)	(2,720)
	2.9%	*-5.3%*	*-10.1%*	*-10.2%*	*-41.4%*
Other earnings (expenses)					
Interest rate swap	(171)	307	(9)	-	-
Interest and miscellaneous income	20	83	80	90	(186)
Foreign exchange gain (loss)	4,913	2,056	457	2,470	(63)
Goodwill impairment	-	(34,826)	(29,384)	-	-
Gain (loss) on disposal of property, plant and equipment	1	20	-	3,235	(2)
	4,763	(32,360)	(28,856)	5,795	(251)
Earnings (loss) before non-controlling interest	5,772	(35,819)	(34,055)	1,810	(2,971)
Non-controlling interest	(916)	10,157	6,757	(489)	738
Earnings (loss) before income taxes	4,856	(25,662)	(27,298)	1,321	(2,233)
Income tax expense, *(Note 5)*	-	-	-	-	59
Net earnings (loss)	4,856	(25,662)	(27,298)	1,321	(2,292)
	14.0%	*-39.0%*	*-53.0%*	*3.4%*	*-34.9%*
Earnings (loss) per unit					
Basic and fully diluted	$ 0.61	$ (3.20)	$ (3.40)	$ 0.16	$ (0.29)
Weighted average number of units outstanding, Note 6	7,970,393	8,030,070	8,030,070	8,030,070	8,030,070

Notes

1. Annual Financial Statements audited by KPMG LLP
2. Q1 Interim Financial Statements to March 31, 2008, Unaudited
3. In the final prospectus, the Founders' Employee Participation Plan ("FEPP") was described as established by GVP for the benefit of the employees of AIM LP. Under the FEPP, GVP provided bonus payments to employees based on the notional interest in a portion of its non-controlling interest in AIM LP. Employees were entitled to bonus payments based on the quarterly distributions paid on Class C units of AIM LP. The employees are also entitled to the notional value of these units subject to certain vesting and subordination provisions. The costs of the FEPP were recorded as a charge against the Fund but were funded by GVP. For the five months ended December 31, 2004, the Fund recorded charges of approximately $759,000 of which $378,000 was charged to Cost of Sales and $381,000 was charged to Selling & Administrative expenses. These charges are then offset against the non-controlling interest resulting in no impact to net earnings. In the second quarter of 2006 all of the charges accrued to date, totalling $2.6 million, were reversed.
4. In the second quarter of 2006 the Fund completed a fair value assessment of Other Net Assets and based on this assessment reduced carrying value of goodwill by $29.4 million and the carrying value of identifiable intangible assets by $1.9 million. In the second quarter of 2005 the Fund wrote down the carrying value by $34.8 million.
5. Sale of real estate in January 2007 resulted in a significant capital gain which triggered an alternative minimum tax payable by AIM Holdings Trust, a wholly owned subsidiary of the Fund. Although this is a refundable tax, the recovery of this amount is considered unlikely and therefore has been recognized as an expense in this quarter.
6. Excludes Class B LP Units and Class C LP Units held by the non-controlling interest.

ART IN MOTION INCOME FUND

Valuation as at March 31, 2008

Consolidated EBITDA Summary

Unaudited

($000s) Schedule 13

	For 151 days ended December 31,	For the year ended December 31,			For 3 months ended March 31,
	2004	2005	2006	2007	2008
Net earnings (loss), Schedule 12	4,856	(25,662)	(27,298)	1,321	(2,292)
Adjustments					
Non-controlling interest	916	(10,157)	(6,757)	489	(738)
Founders' employee participation plan	759	1,642	(2,300)	-	-
Goodwill impairment	-	34,826	29,384	-	-
Interest	464	1,099	1,072	376	55
Income taxes	-	-	-	-	59
Amortization	3,030	7,270	8,804	4,371	628
Net change in interest rate swap	-	(307)	136	-	-
Net change in forward foreign exchange contracts	(4,375)	2,556	3,992	(730)	820
EBITDA	5,650	11,267	7,033	5,827	(1,468)
	16%	*17%*	*14%*	*15%*	*-22%*

Note:

1. Source: Management's Discussion and Analysis filings on SEDAR.

($000s) Schedule 14

	For 151 days ended December 31,	For the year ended December 31,			For 3 months ended March 31,
	2004 (Note 1)	2005 (Note 1)	2006 (Note 1)	2007 (Note 1)	2008 (Note 2)
Net earnings (loss), Schedule 12	4,856	(25,662)	(27,298)	1,321	(2,292)
Unitholders' equity, beginning of year	72,714	73,442	39,047	6,931	6,445
Distributions declared	(4,129)	(8,733)	(4,818)	(1,807)	-
	73,442	39,047	6,931	6,445	4,153

Notes

1. Annual Financial Statements audited by KPMG LLP
2. Q1 Interim Financial Statements to March 31, 2008, Unaudited

ART IN MOTION INCOME FUND
Valuation as at March 31, 2008

Consolidated Summary of Cash Flows

($000s) Schedule 15

	For 151 days ended December 31, 2004 (Note 1)	For the year ended December 31, 2005 (Note 1)	2006 (Note 1)	2007 (Note 1)	For 3 months ended March 31, 2008 (Note 2)
OPERATING ACTIVITIES					
Net Income (loss)	4,856	(25,662)	(27,298)	1,321	(2,292)
Items which do not involve cash:					
Amortization	3,030	7,270	8,804	4,371	628
Gain on disposal of property, plant and equipment	(1)	(20)	-	(3,235)	2
Non-controlling interest	916	(10,157)	(6,757)	489	(738)
Founders' Employee Participation Plan expenses	659	1,642	(2,300)	-	-
Net change in interest rate swap	171	(307)	136	-	-
Net change in forward foreign exchange contracts	(4,546)	2,556	3,992	(730)	820
Goodwill impairment	-	34,826	29,384	-	-
Change in non-cash working capital	1,174	1,941	3,311	535	2,786
	6,259	12,089	9,272	2,751	1,206
INVESTING ACTIVITIES					
Acquisition of business assets	(87,731)	-		-	-
Acquisition of non-controlling interest	(4,983)	-		-	-
Purchase of property, plant and equipment	(107)	(508)	(959)	(413)	(146)
Proceeds from sale of property, plant and equipment	4	20	-	9,473	4
	(92,817)	(488)	(959)	9,060	(142)
FINANCING ACTIVITIES					
Advances (repayments) of indebtedness	662	(662)	-	215	(215)
Distributions paid or payable to unitholders	(4,129)	(8,733)	(4,818)	(1,807)	-
Distributions paid or payable to non-controlling interest	(707)	(582)	(321)	(120)	-
Repayment of long-term debt	20,000	-	(6,000)	(10,500)	-
Net proceeds from issuance of units	72,714	-	-	-	-
Contributions received for Founders' Employee Participation Plan	101	-	-	-	-
Due to related party	(204)	(57)	-	-	-
	88,439	(10,034)	(11,139)	(12,212)	(215)
Increase in cash during year	1,881	1,567	(2,826)	(401)	849
Cash, beginning of year	-	1,881	3,448	622	221
Cash, end of year	1,881	3,448	622	221	1,070

Notes

1. Annual Financial Statements audited by KPMG LLP
2. Q1 Interim Financial Statements to March 31, 2008, Unaudited