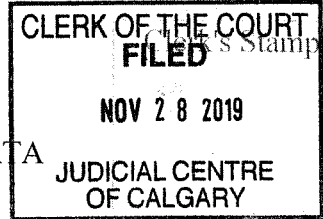


COURT FILE NUMBER 25-2581252
25-2582159

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS
AMENDED

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS IoT CORP.

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS SaaS CORP.

APPLICANTS: TRAKOPOLIS IoT CORP. and TRAKOPOLIS
SaaS CORP.

DOCUMENT **APPLICATION**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Osler, Hoskin & Harcourt LLP
Suite 2500, TransCanada Tower
450 – 1st Street SW
Calgary, Alberta T2P 5H1

Solicitors: Randal Van de Mosselaer / Emily Paplawski
Phone: 403.260.7060 / 7071
Fax: 403.260.7024
Email: RVandemosselaer@osler.com / Epaplawski@osler.com
Matter: 1205888

NOTICE TO RESPONDENTS

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Justice.

To do so, you must be in Court when the application is heard as shown below:

Date: December 6, 2019

Time: 3:00 p.m.

Where: Calgary Courts Centre, 601 – 5th Street SW, Calgary, AB

Before Whom: The Honourable Madam Justice C. Dario

Go to the end of this document to see what else you can do and when you must do it.

Orders Sought:

1. Trakopolis IoT Corp. and Trakopolis SaaS Corp. (together, “**Trakopolis**” or the “**Companies**”) apply for Orders substantially in the form attached hereto as Schedules “A”, “B” and “C”:
 - a. approving an extension of the time for Trakopolis to file a proposal to January 20, 2020, pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (“**BIA**”);
 - b. granting a first ranking administration charge to Alvarez & Marsal Canada Inc., in its capacity as Trustee under the Notice of Intention to Make a Proposal of Trakopolis (the “**Proposal Trustee**”), counsel to the Proposal Trustee and Trakopolis’s counsel, as security for their professional fees and disbursements up to the maximum amount of \$400,000 (the “**Administration Charge**”);
 - c. granting a second ranking interim financing charge up to the maximum amount of \$500,000 (the “**Interim Financing Charge**”);
 - d. granting a third ranking charge to Trakopolis’s directors and officers as security for the indemnity of Trakopolis’s directors and officers against obligations and liabilities they may incur as directors and officer of Trakopolis after November 24, 2019, up to the maximum amount of \$150,000 (the “**D&O Charge**”);
 - e. establishing a sales and investment solicitation process substantially in the form attached as Exhibit P to the Affidavit of Chris Burchell, sworn November 25, 2019 (the “**SISP**”);
 - f. declaring that the Proposal Trustee is entitled to administer procedural matters relating to Estate Nos. 25-2581252 and 25-2582159 on a consolidated basis;
 - g. sealing the Confidential Affidavit of Chris Burchell, sworn November 25, 2019 (the “**Confidential Burchell Affidavit**”) on the Court file until further order of this Honourable Court; and

- h. granting such further and other relief as counsel may request and this Honourable Court may deem just.

Grounds for making this application:

Extension of the Stay

2. Trakopolis requires an extension of the stay until January 20, 2020 so that it can conclude its marketing efforts to maximize value for the benefit of all stakeholders. Since the filing of the NOIs, Trakopolis and/or the Proposal Trustee have been contacted by approximately 15 parties expressing an interest in a sale or refinancing transaction. To date, Trakopolis has already received one unsolicited bid, one indication of interest and one refinancing proposal from third parties which are sufficient to retire Trakopolis's debt to ESW and pay some or all of Trakopolis's unsecured debt. Other expressions of interest that have been received would, if concluded, likewise be sufficient to retire Trakopolis's debt to ESW and pay some of Trakopolis's unsecured debt. Discussions remain ongoing with these three bidders/financers and with the other approximately 12 parties.
3. If Trakopolis were to cease operations and liquidate, it is likely that significant value would be lost. The vast majority of value in Trakopolis is based on the monthly subscription revenue received from customers for their use of Trakopolis's platform and other services. Trakopolis's value is only realizable in its continued operation.
4. The requested extension is being sought to protect Trakopolis's business and operations to allow Trakopolis to realize value for its stakeholders and develop a viable proposal. Either through a refinancing or a sale of its highly specialized platform, preserving the value of the business in the proposed manner will achieve a better result for Trakopolis's stakeholders than would a liquidation.
5. The extension of the period to make a proposal until January 20, 2020, should be enough time to: (a) allow Trakopolis to complete the proposed sale process, obtain offers from potential financers or purchasers who have expressed interest in refinancing or acquiring Trakopolis's business, and select a successful bidder; and (b) formulate a viable proposal.

Sales and Investment Solicitation Process

6. The proposed SISP has been created by Trakopolis in consultation with the Proposal Trustee with a view to both capitalizing on prior work conducted by Canacord Genuity (“CG”) in 2018 and 2019 in its marketing process and ensuring that third parties who were not previously involved in the CG marketing process have sufficient time to complete their due diligence and submit a bid to the Companies.
7. A short, abridged sales process is needed within these proceedings to permit a fair, efficient, competitive, and value-maximizing process for the assets or business of Trakopolis.

Administration Charge

8. Trakopolis requires the services of its counsel, the Proposal Trustee and the Proposal Trustee’s counsel to develop a viable proposal. Trakopolis has not provided any retainer to its counsel, and has provided a \$75,000 retainer to the Proposal Trustee.
9. The Administration Charge is reasonable and appropriate in the circumstances and critical to the success of Trakopolis’s insolvency proceedings.

D&O Charge

10. Trakopolis has not been able to secure ongoing insurance coverage for its directors and officers because of these Proceedings.
11. Trakopolis requires the services of its directors and officers to develop a viable proposal. Its directors and officers have the technical and institution knowledge, experience, and relationships necessary to preserve the value of Trakopolis and maximize the chances of a successful restructuring.
12. The D&O Charges is reasonable and appropriate in the circumstances and is critical to the indemnification of Trakopolis’s directors and officers and, in turn, the success of Trakopolis’s insolvency proceedings.

Interim Financer's Charge

13. Trakopolis's 13-Week Cash Flow Forecast (the "**Cash Flow**") shows that Trakopolis will likely require an injection of funds to ensure its continued operation in or about week 12 of these Proceedings (January 31, 2020). The Cash Flow estimates that funds in the amount of \$250,000 CAD will be required largely to pay accrued professional fees within these Proceedings.
14. While Trakopolis has not yet secured the proposed interim lending facility (the "**Interim Facility**"), an order in advance from this Honourable Court approving the requested Interim Financer's Charge will assist Trakopolis in securing such necessary financing. Prior to Trakopolis accessing any amounts under the Interim Facility, Trakopolis will seek the approval of the Proposal Trustee, on notice to ESW and other interested stakeholders, approving the terms of the Interim Facility.
15. The Interim Financer's Charge is reasonable and appropriate in the circumstances and critical to the success of Trakopolis's insolvency proceedings.

Affidavit or other Evidence and Materials to be used in Support of this Application:

16. The Affidavit of Chris Burchell, sworn November 25, 2019.
17. The Confidential Affidavit of Chris Burchell, sworn November 25, 2019.
18. The First Report of the Proposal Trustee, to be filed.
19. Such further and other evidence or materials as counsel may advise and this Honourable Court may permit.

Applicable Rules:

20. The *Alberta Rules of Court*, Alta Reg. 124/2010.

Applicable Acts and Regulations:

21. *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended.
22. *Judicature Act*, RSA 2000, c J-2, as amended.

Any Irregularity Complained of or Objection Relied On:

23. None.

How the Application is Proposed to be Heard or Considered:

24. In person before the Honourable Madam Justice C. Dario on December 6, 2019 at 3:00 p.m.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

SCHEDULE "A"

COURT FILE NUMBER 25-2581252
25-2582159

Clerk's Stamp

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS
AMENDED

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS IoT CORP.

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS SaaS CORP.

APPLICANTS: TRAKOPOLIS IoT CORP. and TRAKOPOLIS
SaaS CORP.

DOCUMENT **ORDER**
(Extension of the Stay, Administration Charge,
D&O Charge and Interim Financer's Charge)

ADDRESS FOR
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DOCUMENT
Osler, Hoskin & Harcourt LLP
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450 – 1st Street SW
Calgary, Alberta T2P 5H1

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Fax: 403.260.7024
Email: RVandemosselaer@osler.com / Epaplawski@osler.com
Matter: 1205888

DATE ON WHICH ORDER WAS PRONOUNCED: December 6, 2019

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: Madam Justice C. Dario

UPON THE APPLICATION of Trakopolis IoT Corp. and Trakopolis SaaS Corp. (together, “**Trakopolis**” and each a “**Debtor**”) among other things, approving and extending the time for Trakopolis to file a proposal to January 20, 2020, pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (“**BIA**”); AND UPON having reviewed the Affidavit of Chris Burchell, sworn November 25, 2019 (the “**Burchell Affidavit**”), the Confidential Affidavit of Chris Burchell, sworn November 25, 2019 (the “**Confidential Burchell Affidavit**”), and the First Report of Alvarez & Marsal Canada Inc., in its capacity as Trustee (the “**Proposal Trustee**”) under the Notices of Intention to Make a Proposal of Trakopolis (“**NOIs**”), filed November 7 and 9, 2019; AND UPON hearing the submissions of counsel for Trakopolis, the Proposal Trustee and ESW Holdings, Inc. (“**ESW**”), and no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of notice of this Application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this Application, and time for service of this Application is abridged to that actually given.

EXTENSION OF THE STAY

2. Trakopolis is hereby granted, pursuant to s. 50.4(9) of the BIA, an extension of the time for Trakopolis to file a proposal, such extension being to January 20, 2020.

ADMINISTRATION CHARGE

3. The Proposal Trustee, Proposal Trustee’s counsel, and Trakopolis’s counsel as security for the professional fees and disbursements incurred both before and after the NOIs, shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on Trakopolis’s current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”), which charge shall not exceed an aggregate amount of \$400,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Proposal Trustee, Proposal Trustee’s Counsel and Trakopolis’s counsel. The Administration Charge shall have the priority set out in paragraphs 8 to 10 hereof.

DIRECTORS' AND OFFICERS' CHARGE

4. The directors and officers of Trakopolis, as security for their indemnity against obligations and liabilities they may incur as directors and officer of Trakopolis after November 24, 2019, shall be entitled to the benefit of and are hereby granted a charge (the “**D&O Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$150,000. The D&O Charge shall have the priority set out in paragraphs 8 to 10 hereof.

INTERIM FINANCER'S CHARGE

5. Trakopolis is hereby authorized and empowered to obtain a credit facility (the “**Interim Facility**”) from an interim lender (the “**Interim Lender**”), in order to finance Trakopolis's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowing under such credit facility shall not exceed \$500,000 unless permitted by further order of this Court.
6. The Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the “**Interim Financer's Charge**”) on the Property to secure all obligations under the Facility incurred on or after the date of this Order which charge shall not exceed the aggregate amount advanced on or after the date of this Order and other owing under the Facility. The Interim Financer's Charge shall have the priority set out in paragraphs 8 to 10 hereof.
7. Trakopolis shall, prior to borrowing or otherwise accessing financing under the Interim Facility, seek the approval of the Proposal Trustee, on notice to ESW and other interested stakeholders, approving the terms of the Interim Facility.

VALIDITY AND PRIORITY OF CHARGES

8. The Priorities of the Charges (as defined below), as between them, shall be as follows:

First – Administration Charge (to the maximum of \$400,000);

Second – Interim Financer's Charge (to the maximum of \$500,000); and

Third – D&O Charge (to the maximum of \$150,000)

(collectively, the “**Charges**”).

9. The filing, registration or perfection of the Charges shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding that any such failure to file, register, record or perfect.
10. The Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges, and encumbrances, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”).

CONSOLIDATION

11. The Proposal Trustee is entitled to administer procedural matters relating to the bankruptcy proceedings of Trakopolis on a consolidated basis (the “**Consolidated NOI Proceedings**”). All materials filed with the court clerk in respect of Court of Queen’s Bench of Alberta in Bankruptcy and Insolvency Estate Nos. 25-2581252 and 25-2582159 may be filed exclusively in Estate No. 25-2581252. A copy of this order will be filed in the Court file for each of the Debtor’s respective estates, but any other document required to be filed in the Consolidated NOI Proceedings shall be filed in Estate No. 25-2581252.
12. The Consolidated NOI Proceedings will be in relation to procedural matters only and do not:
 - (a) affect the separate legal status and corporate structure of the Debtors; or
 - (b) cause either Debtor to be liable for any claim for which it is otherwise not liable, or cause either Debtor to have an interest in an asset to which it otherwise would not have.
13. Without limiting the generality of the foregoing, the Proposal Trustee is authorised to carry out its administrative duties and responsibilities as trustee-in-bankruptcy and as proposal

trustee under the BIA as if the Consolidated NOI Proceedings were a single proceeding under the BIA, including without limitation:

- (a) the meetings of creditors of the Debtors may be convened and conducted jointly;
- (b) the Proposal Trustee is authorised to issue consolidated reports in respect of the Debtors; and
- (c) the Proposal Trustee is authorized to deal with all filings and notices relating of the proposal proceedings of the Debtors, each as required under the BIA on a consolidated basis.

MISCELLANEOUS

14. Trakopolis shall serve by courier, fax transmission, email transmission or ordinary post, a copy of this Order on all parties present at this Application and on all parties who are presently on the service list established in these proceedings and such service shall be deemed good and sufficient for all purposes.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "B"

COURT FILE NUMBER 25-2581252
25-2582159

Clerk's Stamp

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS
AMENDED

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS IoT CORP.

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS SaaS CORP.

APPLICANTS: TRAKOPOLIS IoT CORP. and TRAKOPOLIS
SaaS CORP.

DOCUMENT **RESTRICTED COURT ACCESS ORDER**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

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Calgary, Alberta T2P 5H1

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Fax: 403.260.7024
Email: RVandemosselaer@osler.com / Epaplawski@osler.com
Matter: 1205888

DATE ON WHICH ORDER WAS PRONOUNCED: December 6, 2019

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: Madam Justice C. Dario

UPON THE APPLICATION of Trakopolis IoT Corp. and Trakopolis SaaS Corp. (together, “**Trakopolis**”); **AND UPON** having reviewed the Affidavit of Chris Burchell, sworn November 25, 2019, the Confidential Affidavit of Chris Burchell, sworn November 25, 2019 (the “**Confidential Burchell Affidavit**”), and the First Report of Alvarez & Marsal Canada Inc., in its capacity as Trustee under the Notices of Intention to Make a Proposal of Trakopolis, filed November 7 and 9, 2019; **AND UPON** hearing the submissions of counsel for Trakopolis, the Proposal Trustee and ESW Holdings, Inc., and no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed; **AND UPON** noting that capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the SISP;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of notice of this Application is hereby declared to be good and sufficient, this Application is properly returnable today, no other person is required to have been served with notice of this Application.
2. Subject to further Order of this Honourable Court, the Confidential Burchell Affidavit shall be sealed on the Court file and shall not form part of the public record, notwithstanding Division 4, Part 6 of the *Alberta Rules of Court*.
3. The Clerk of this Honourable Court shall file the Confidential Burchell Affidavit in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS
FILED BY TRAKOPOLIS IOT CORP. AND TRAKOPOLIS
SAAS CORP. THE CONFIDENTIAL MATERIALS ARE
SEALED PURSUANT TO THE SEALING ORDER ISSUED BY
MADAM JUSTICE DARIO ON DECEMBER 6, 2019.

4. Leave is hereby granted to any person, entity or party affected by this Order to apply to this Court for a further Order vacating, substituting, modifying or varying the terms of this Order, with such Application to be brought on notice to Trakopolis and any other affected party.

5. Trakopolis shall serve by courier, fax transmission, email transmission or ordinary post, a copy of this Order on all parties present at this Application and on all parties who are presently on the service list established in these proceedings and such service shall be deemed good and sufficient for all purposes.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "C"

COURT FILE NUMBER 25-2581252
25-2582159

Clerk's Stamp

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS
AMENDED

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS IoT CORP.

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS SaaS CORP.

APPLICANTS: TRAKOPOLIS IoT CORP. and TRAKOPOLIS
SaaS CORP.

DOCUMENT **ORDER**
(Sales and Investment Solicitation Process)

ADDRESS FOR
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CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

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Email: RVandemosselaer@osler.com / Epaplawski@osler.com
Matter: 1205888

DATE ON WHICH ORDER WAS PRONOUNCED: December 6, 2019

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: Madam Justice C. Dario

UPON THE APPLICATION of Trakopolis IoT Corp. and Trakopolis SaaS Corp. (together, “**Trakopolis**”) for an order, among other things, approving the Sales and Investment Solicitation Process (“**SISP**”) attached as Appendix “A” hereto; **AND UPON** having reviewed the Affidavit of Chris Burchell, sworn November 25, 2019 (the “**Burchell Affidavit**”), the Confidential Affidavit of Chris Burchell, sworn November 25, 2019 (the “**Confidential Burchell Affidavit**”), and the First Report of Alvarez & Marsal Canada Inc., in its capacity as Trustee (the “**Proposal Trustee**”) under the Notices of Intention to Make a Proposal of Trakopolis (“**NOIs**”), filed November 7 and 9, 2019; **AND UPON** hearing the submissions of counsel for Trakopolis, the Proposal Trustee and ESW Holdings, Inc. (“**ESW**”), and no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed; **AND UPON** noting that capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the SISP;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of notice of this Application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this Application, and time for service of this Application is abridged to that actually given.
2. The SISP is hereby approved, and the Proposal Trustee is hereby authorized and directed to implement the SISP and do all things as are reasonably necessary to conduct and give full effect to the SISP and carry out its obligations thereunder, including seeking approval of this Court as soon as reasonably practicable following the selection of a Successful Bidder under the SISP.
3. The Proposal Trustee shall not have any liability whatsoever to any person or party for any act or omission related to the SISP, except to the extent such act or omission is the result of gross negligence or wilful misconduct of the Proposal Trustee.
4. Trakopolis shall serve by courier, fax transmission, email transmission or ordinary post, a copy of this Order on all parties present at this Application and on all parties who are presently on the service list established in these proceedings and such service shall be deemed good and sufficient for all purposes.

Justice of the Court of Queen's Bench of Alberta

Appendix “A”

Sales and Investment Solicitation Process

On November 7, 2019, Trakopolis IoT Corp. (“**IoT**”) filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (“**BIA**”). On November 9, 2019, Trakopolis Saas Corp. (“**Saas**” and together with IoT, the “**Companies**”) filed a Notice of Intention to Make a Proposal under the BIA. Alvarez & Marsal Canada Inc. has been appointed as Proposal Trustee (the “**Proposal Trustee**”) of the Companies.

On November 27, 2019, the Companies filed an Application with the Alberta Court of Queen’s Bench (the “**Court**”) seeking an order, among other things, approving the sale and investment solicitation process (“**SISP**”) and the procedures set forth herein (as such process may be amended, restated or supplemented pursuant to the terms herein, the “**SISP Procedures**”).

On December 6, 2019, the Court entered an order (the “**Bid Procedures Order**”) approving the SISP Procedures. The Bid Procedures Order and the SISP Procedures are to be followed with respect to a sale and investor solicitation process to be undertaken with respect to the Companies.

These SISP Procedures describe, among other things, the Assets and Business of the Companies available for sale, the opportunity for the acquisition of the Assets or Business, the opportunity for an investment in the Companies, the manner in which Interested Parties may gain access to or continue to have access to due diligence materials concerning the Assets, Business or an investment in the Companies, the manner in which bidders and bids become Qualified Bidders and Qualified Bids, respectively, the receipt and negotiation of bids received, the ultimate selection of one or more Successful Bid(s), and the process for obtaining approval of one or more Successful Bid(s) by the Court.

1. Definitions

All capitalized terms used but not otherwise defined herein shall have the following meanings:

“**Assets**” means the assets, undertakings and property of the Companies.

“**Bid**” means an offer made to the Companies to purchase all or any part of the Assets, the Business, or make an investment in the Companies.

“**Bidder**” means a person who has made a Bid.

“**Business**” means the business of technological services carried on by the Companies.

“**Business Day**” means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are open for business in the City of Calgary.

“**Court**” means the Court of Queen’s Bench of Alberta.

“Form Asset Purchase Agreement” means the template agreement of purchase and sale provided by the Proposal Trustee to all Interested Parties.

“Form Share Purchase Agreement” means the template share purchase agreement provided by the Proposal Trustee to all Interested Parties.

“Lender” means ESW Holdings, Inc.

“Proceedings” means Court Nos. 25-2582159 and 25-2581252.

“Qualified Bid” means a Bid that complies with the requirements of section 4 below.

“Qualified Bidder” means a person who made a Qualified Bid.

“Representatives” when used with respect to a person means each director, officer, employee, consultant, contractor, financial advisor, legal counsel, accountant and other agent, adviser or representative of that person.

“Successful Bid” has the meaning given to it in section 6 below.

“Successful Bidder” means the Qualified Bidder(s) who made the Successful Bid(s).

2. Procedure

Any interested party that executes a confidentiality agreement on terms and conditions satisfactory to the Companies (**“Confidentiality Agreement”**) and is determined by the Companies, in consultation with the Proposal Trustee, to be reasonably capable of submitting a Qualified Bid by the Bid Deadline (an **“Interested Party”**), shall be provided with access to the virtual data room established by the Companies in order for such Interested Party to be able to prepare and submit a Qualified Bid by the Bid Deadline. Any party who has previously entered into a valid and binding Confidentiality Agreement in connection with the sale of the Business or the Assets shall be deemed to be an Interested Party for the purposes of this SISP.

3. As Is, Where Is Sale

The sale of the Business or any part of the Assets will be on an **"as is, where is"** basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Proposal Trustee or any of its Representatives, except to the extent set forth in the relevant definitive agreement(s) with the Successful Bidder(s).

By participating in this process, each Interested Party is deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Business or the Assets of the Companies prior to making its Bid, that it has relied solely on its own independent review, investigation, and/or inspection of any documents regarding the Business or Assets in making its Bid, and that it does not rely on any written or oral statements, representations, promises, warranties, conditions or guarantees whatsoever, whether express, implied, by operation of law or otherwise, regarding the Business, the Assets or the Companies or the completeness of any

information provided in connection therewith, express as expressly stated in the relevant definitive agreement(s).

4. Bid Deadline

An Interested Party that wishes to make a Bid to (a) acquire the Business or all, substantially all or any part of the Assets (a “**Sale Proposal**”), or (b) make an investment in the Companies by way of private issuances, sale or placement of newly issued or treasury equity, equity-linked or debt securities, instruments or obligations of the Companies with one or more lenders and/or investors or security holders (an “**Investment Proposal**”), must deliver a Qualified Bid to the Proposal Trustee at the address specified in Exhibit 1 hereto (including by email) so as to be received by the Proposal Trustee **not later than 5:00 p.m. (MST) on January 10, 2020**, or such other later date or time as may be agreed by the Companies and the Proposal Trustee with the consent of the Lender (the “**Bid Deadline**”).

In order for a Bid to be deemed a Qualified Bid under this SISP, it must:

- a. be irrevocable until Court approval of the Successful Bid(s);
- b. include:
 - a. Sale Proposal: in the case of a Sale Proposal, a duly authorized and executed definitive asset purchase agreement or share purchase agreement together with all completed schedules thereto substantially in the form of the Form Asset Purchase Agreement or the Form Share Purchase Agreement, as applicable, containing the detailed terms and conditions of the proposed transaction, including the Business or the Assets proposed to be acquired, the obligations to be assumed, the purchase price for the Business or Assets proposed to be acquired (the “**Purchase Price**”), the expected timeframe to complete the transaction, the detailed structure and financing of the proposed transaction, and whether the Interested Party proposes to act as a stalking horse bidder and the proposed terms of such stalking horse transaction, together with a blackline comparing the asset purchase agreement or share purchase agreement submitted with the Bid to the Form Asset Purchase Agreement or the Form Share Purchase Agreement, as the case may be; and
 - b. Investment Proposal: in the case of an Investment Proposal, a duly authorized and executed binding term sheet describing the detailed terms and conditions of the proposed transaction, including details regarding the proposed equity and debt structure of the Companies following completion of the proposed transaction, the direct or indirect investment target and the aggregate amount of equity and debt investment (including the sources of such capital, the underlying assumptions regarding the pro forma capital structure, as well as anticipated tranches of debt, debt service fees, interest and amortization) to be made in the Companies, and the debt, equity, or other securities, if any, proposed to be allocated to the creditors of the Companies;

- c. provide written evidence upon which the Companies and the Proposal Trustee may reasonably conclude that the Interested Party has the necessary financial ability to close the contemplated transaction and provide adequate assurance of future performance of all obligations to be assumed in such contemplated transaction;
- d. confirm that the Bid is not conditional on the outcome of unperformed due diligence and/or obtaining financing;
- e. provide evidence, in form and substance reasonably satisfactory to the Companies and the Proposal Trustee, of authorization and approval from the Interested Party's board of director (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Bid, and identification of any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated time frame and any anticipated impediments to obtaining such approvals;
- f. acknowledge and represent that the Interested Party: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents regarding the Business and/or Assets to be acquired, liabilities to be assumed or the Companies in making its bid; and (ii) did not rely on any written or oral statements, representations, promises, warranties, conditions or guaranties whatsoever, whether express or implied (by operation of law or otherwise) by the Companies, the Proposal Trustee, or any of their respective Representatives, regarding the Business, the Assets to be acquired, liabilities to be assumed, the Companies or the completeness of any information provided in connection therewith, excepts as expressly provided in the definitive agreement(s);
- g. a bank draft made payable to the Proposal Trustee for an amount equal to 10% of the Purchase Price to be held as the deposit (the "**Deposit**") on the terms set out in paragraph 9 hereof;
- h. provide such other information as may reasonably be requested by the Companies or the Proposal Trustee, as applicable; and
- i. be received by the Proposal Trustee at the address specified in Exhibit 1 hereto (including by email) on or before the Bid Deadline.

The Companies, with the approval of the Proposal Trustee, may waive one or more minor and non-material violations of the requirements specified for Qualified Bids and deem such non-compliant Bids to be Qualified Bids, provided that, proof of financial ability to perform required pursuant to section 4(c) cannot be waived without consent of the Lender.

5. Stalking Horse

At any time, the Companies shall retain the right to select one or more Interested Parties to serve as a stalking horse bidder on terms customary in an insolvency sale process and acceptable to the Companies, in consultation with the Proposal Trustee. In the event that the Companies select a stalking horse bidder, they shall immediately inform each Interested Party in writing. The Companies will be, in their sole discretion and in consultation with the Proposal Trustee, entitled

but not required to apply to the Court: (i) to extend the Bid Deadline and otherwise amend the SISP Process set out herein to provide for appropriate procedures for the sale of the Business or Assets (or any portion thereof) pursuant to a stalking horse transaction (which may include an auction) (the "**Amended SISP Procedures**"), and (ii) for approval of any stalking horse agreement(s) and Amended SISP Procedures.

6. Evaluation of Qualified Bids

Following the Bid Deadline, the Companies, in consultation with the Proposal Trustee, shall evaluate the Qualified Bids on various grounds including, but not limited to, the Purchase Price or imputed or projected value, the treatment of creditors, the Companies' other stakeholders, and related implied recovery for creditors (in each case, as applicable), the assumed liabilities, the certainty of closing the transactions contemplated by the Qualified Bid and any delay or other risks (including closing risks) in connection with the Qualified Bid.

The Companies, in consultation with the Proposal Trustee, shall be entitled, either prior to or following the Bid Deadline, to seek to clarify or negotiate the terms of any Qualified Bid submitted by a Qualified Bidder. The Companies, in consultation with the Proposal Trustee, may also select any or all Qualified Bid(s) for further negotiation and/or clarification of any terms or conditions of such Qualified Bids, including the amounts offered, before identifying the highest or otherwise best Qualified Bid(s) received, as the case may be.

The Companies, in consultation with the Proposal Trustee, may accept a revised or clarified Qualified Bid, provided that the initial Qualified Bid was received by the Proposal Trustee prior to the Bid Deadline.

Subject to the establishment of Amended SISP Procedures under section 5 above, the Companies, in consultation with the Proposal Trustee, shall identify the highest or otherwise best Qualified Bid(s) received (each such Qualified Bid, the "**Successful Bid**"). The Proposal Trustee will notify the Qualified Bidders of the identities of the Successful Bidder(s) by no later than **5:00 p.m. (MST) on January 24, 2020**.

7. Definitive Agreements

The Companies and Proposal Trustee will finalize definitive agreement(s) in respect of any Successful Bidder(s), conditional upon approval of the Court, as soon as practicable following the selection of the Successful Bidder(s), but in any event by no later than **5:00 p.m. (MST) on February 7, 2020** or such later date or time as the Proposal Trustee may determine appropriate in consultation with the Companies and the Successful Bidder(s).

8. Approval Hearing

As soon as reasonably possible following the Bid Deadline and, in any event, within five Business Days of the execution of the definitive agreement(s) by the Companies and the Successful Bidder(s), the Companies shall apply to the Court (the "**Approval Hearing**") for approval of such transactions with the Successful Bidders.

All Qualified Bids (other than any Successful Bid(s)) shall be deemed rejected by the Companies on and as of the date of approval of the Successful Bid(s) by the Court.

If, following approval of the Successful Bid(s) by the Court, the Successful Bidder(s) fail to consummate the transaction for any reason, then the Companies, in consultation with the Proposal Trustee, shall be entitled to re-engage with the Qualified Bidder(s) to attempt to renegotiate the Qualified Bids without further order of the Court.

9. Deposits

All Deposits shall be held by the Proposal Trustee in a single non-interest bearing account designated solely for such purpose. A Deposit paid by a Successful Bidder shall be dealt with in accordance with the definitive documents for the transactions contemplated by the Successful Bid. Deposits paid by a Bidder not selected as a Qualified Bidder shall be returned to such Bidder within three Business Days of being advised that it is not a Qualified Bidder. Deposits paid by a Qualified Bidder not selected as a Successful Bidder shall be returned to such Qualified Bidder within three Business Days of Court approval of the Successful Bid(s).

10. No Amendment

Subject to the other provisions of the SISP Procedures, the Companies shall not amend these SISP Procedures without the approval of the Court, on notice to the service list in these Proceedings.

11. Consultation with the Lender

The Companies, in consultation with the Proposal Trustee, shall, as appropriate, consult with the Lender throughout the SISP; provided that, to the extent the Lender is related to a Bidder, the Companies and the Proposal Trustee shall not provide the Lender with information that might create an unfair advantage or jeopardize the integrity of the SISP.

12. Miscellaneous

Unless otherwise indicated herein, any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day.

Each Qualified Bidder, upon being declared as such under the SISP Procedures, shall be deemed to have irrevocably and unconditionally attorned and submitted to the jurisdiction of the Court in these Proceedings in respect of any action, proceeding or dispute in relation to the conduct or any aspect of the SISP Procedures and the SISP.

At any time during the SISP Process, the Proposal Trustee may apply to the Court for advice and directions with respect to the discharge of its obligations and duties herein.

Exhibit 1 – Addresses and Contact Information of the Proposal Trustee

Alvarez & Marsal Canada Inc. LIT

Bow Valley Square 4

Suite 1110, 250 6th Ave SW

Calgary, Alberta

T2P 3H7

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