Court File No.: CV-13-10274-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 8440522 CANADA INC., DATA & AUDIO-VISUAL ENTERPRISES WIRELESS INC., AND DATA & AUDIO-VISUAL ENTERPRISES HOLDINGS INC.

(collectively, the "Applicants")

LIST OF APPENDICES TO THE SIXTH REPORT OF THE MONITOR

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B	Plan of Arrangement
C	Affidavit of William E. Aziz sworn April 16, 2014 (without appendices)
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APPENDIX A

Court File CV-13-10274-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	WEDNESDAY, THE 13TH
	)	
JUSTICE NEWBOULD	)	DAY OF NOVEMBER, 2013

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 8440522 CANADA INC., DATA & AUDIO-VISUAL ENTERPRISES WIRELESS INC., AND DATA & AUDIO-VISUAL ENTERPRISES HOLDINGS INC.

Applicants

ORDER
(Approval of Sale Procedures)

THIS MOTION, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, for an Order:

(a) that the time for service of the Notice of Motion, the Motion Record and the second report of the Monitor, Ernst & Young Inc. (the "**Monitor**") dated November 11, 2013 (the "**Second Report**") is abridged and validated so that this Motion is property returnable today and dispensing with further service thereof; and

(b) approving the sale procedures (the "**Sale Procedures**"), substantially in the form attached as Schedule "A" to this Order,

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the material filed, including the Notice of Motion, the Second Report and the Affidavit of William E. Aziz sworn November 7, 2013 and the exhibits thereto (the "**Aziz Affidavit**"), and on hearing the submissions of counsel for the Applicants, the Monitor, and such other counsel present, no one else appearing although duly served as appears from the affidavit of service of Evan Cobb sworn November 8, 2013:

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion, the Motion Record and the Second Report is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

SALE PROCEDURES

2. THIS COURT ORDERS that the Sale Procedures, substantially in the form attached as Schedule "A" to this Order, be and are hereby approved.

3. THIS COURT ORDERS that the Monitor and the Applicants, be and are hereby authorized and directed to perform their obligations under and take such steps as they consider necessary or desirable in carrying out the Sale Procedures, and any steps taken by the Monitor and the Applicants in connection with the Sale Procedures prior to the date hereof be and are hereby approved and ratified.

4. THIS COURT ORDERS that the Monitor and its affiliates, partners, directors, employees and agents shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the Sale Procedures, except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct of the Monitor in performing its obligations under the Sale Procedures (as determined by this Court).

5. THIS COURT ORDERS that, in connection with the Sale Procedures and pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Applicants and the Monitor are authorized and permitted to disclose personal information of identifiable individuals to prospective investors, financiers, purchasers or bidders and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more investment, finance or sale transaction (each, a "**Transaction**"). Each prospective investor, financier, purchaser, or bidder to whom such information is disclosed shall maintain and protect the privacy of such information and shall limit the use of such information to its evaluation of the Transaction, and if it does not complete a Transaction, shall; (i) return all such information to the Applicants or the Monitor; or (ii) destroy all such information that is not electronically stored and, in the case of such information that is electronically stored, destroy all such information to the extent it is reasonably practical to do so. The purchaser in any Transaction shall be entitled to continue to use the personal information provided to it, and

related to the property purchased, in a manner which is in all material respects identical to the prior use of such information by the Applicants, and shall return all other personal information to the Applicants or the Monitor, or ensure that all other personal information is destroyed.

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

NOV 13 2013

MB

SCHEDULE "A"
SALE PROCEDURES
(see attached)

Sale Procedures

Set forth below are the Sale Procedures (the "**Sale Procedures**") to be employed with respect to the proposed sale of all or substantially all of the business and assets or shares of Data & Audio Visual Enterprises Wireless Inc. ("**Wireless**") and Data & Audio Visual Enterprise Holdings Inc. ("**Holdings**", together with Wireless, the "**Sellers**").

On September 29, 2013, the Sellers and 8440522 Canada Inc. (collectively, the "**Debtors**") commenced proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA**" and the "**CCAA Proceedings**") before the Ontario Superior Court of Justice (the "**Court**").

On November 13, 2013, the Debtors obtained a sale procedures order (the "**Sale Procedures Order**") under the CCAA from the Court approving these Sale Procedures.

Pursuant to the Sale Procedures, the Debtors, with their financial advisor, Canaccord Genuity Corp. (the "**Financial Advisor**"), will pursue a sale of the Assets (as defined below) under a fair and competitive sale process under the supervision of Ernst & Young Inc., in its capacity as the Court-appointed monitor in the CCAA Proceedings (the "**Monitor**"), and the Court, pursuant to which all interested parties will be provided with a fair and equal opportunity to participate in the Sale Process (as defined below).

Notwithstanding anything contained herein, the Sellers shall have the right to enter into an exclusive transaction for the sale of the Assets, or any portion thereof, outside of the Sale Process prior to the Participation Deadline (as defined below) on terms acceptable to the Sellers, the Monitor and the purchasers under the DIP Note Purchase and Guarantee Agreement dated September 30, 2013 (collectively the "**DIP Lenders**").

Sale Process

The Sale Procedures set forth herein describe, among other things, (a) the Assets available for sale, (b) the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Assets, (c) the manner in which bidders and bids can become Qualified Bidders (as defined below) and Qualified Bids (as defined below), (d) the receipt and negotiation of bids received, (e) the ultimate selection of any Successful Bidder (as defined below), and (f) the approval thereof by the Court (collectively, the "**Sale Process**"). The Monitor intends to consult with the Sellers and the DIP Lenders and their respective advisors throughout the Sale Process.

Assets To Be Sold

The Sellers are offering for sale, in one or more transactions, substantially all of the Sellers' business and assets (the "**Assets**"). The Sellers reserve the right to eliminate certain assets available for sale pursuant to the Sale Process prior to the Bid Deadline (as defined below). For the purposes of these Sale Procedures, a sale of the Assets also includes a transaction pursuant to which the shares of the Sellers are arranged by or sold to the Successful Bidder.

"As Is, Where Is"

The sale of the Assets will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature or description by the Sellers, its agents or estates, except to the extent set forth in a definitive transaction agreement signed by the Sellers and the Successful Bidder. By submitting a bid, each Potential Bidder (as defined below) shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Assets prior to making its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Assets or the completeness of any information provided in connection therewith, except as expressly stated in these Sale Procedures or as set forth in a definitive transaction agreement signed by the Sellers and the Successful Bidder.

Free Of Any And All Claims And Interests

Except as may otherwise be provided in the Successful Bidder's transaction agreement, all of the rights, title and interests of the Sellers in and to the Assets, or any portion thereof, will be sold free and clear of all Liens and Claims (which may be defined in the Transaction Order (as defined below)), subject to any Permitted Encumbrances (which may be defined in the Transaction Order), pursuant to an order by the Court approving the sale of the Assets, or a portion thereof, and vesting in the Successful Bidder all of the Sellers' rights, title and interests in and to such Assets, or a portion thereof, whether by way of an approval and vesting order or a sanction order, the "**Transaction Order**"), when granted, such Liens and Claims to attach to the net proceeds of the sale of such Assets.

Publication Notice

Within three (3) days of entry of the Sale Procedures Order by the Court, or as soon as practicable thereafter, (i) the Sellers shall publish notice of these Sale Procedures in *The Globe and Mail (National Edition)* and (ii) the Sellers shall issue a press release regarding the Sale Process through Canada Newswire, designating dissemination in Canada and major financial centers in the United States.

Solicitation of Interest

As soon as reasonably practicable after the granting of the Sale Procedures Order, the Financial Advisor, in consultation with the Sellers, the Monitor and the DIP Lenders, will prepare an initial offering summary (the "**Teaser Letter**") notifying prospective purchasers of the Assets (both strategic and financial parties (including existing shareholders and noteholders of the Sellers and parties proposed by the DIP Lenders)) of the existence of the Sale Process and inviting prospective purchasers to express their interest in making an offer for the Assets.

Participation Requirements

Unless otherwise ordered by the Court or as otherwise determined by the Monitor, in consultation with the Sellers and the DIP Lenders, in order to participate in the Sale Process, prior to December 2, 2013 at 10:00 p.m. (ET) (as may be extended as set out below, the "**Participation Deadline**"), each person who wishes to participate in the Sale Process, and in the event that such person is an entity formed for the purpose of acquiring the Assets, or any portion thereof, each actual or proposed holder of the equity (whether in the form of stock, partnership interests, LLC interests, debt issued in connection with such person's bid for the Assets or otherwise) or proposed beneficiary of such person through license or similar arrangement granted in connection with such person's bid (each, an "**Equity Holder**") (each such person who wishes to participate in the Sale Process and each Equity Holder thereof, a "**Potential Bidder**") must deliver to the Notice Parties (as defined below) at the addresses provided below all of the following documents (the "**Participation Materials**"):

a) an executed confidentiality agreement (to be delivered prior to the distribution of any confidential information by the Sellers to such Potential Bidder) in a form and substance acceptable to the Sellers, and which shall inure to the benefit of any purchaser of the Assets, or any portion thereof. In the event the Potential Bidder has already entered into a confidentiality agreement with either of or both of the Sellers, prior to the distribution of any additional confidential information by the Sellers to such Potential Bidder, such Potential Bidder must provide a statement waiving any of its rights under such confidentiality agreement that are in conflict with the Sale Procedures or that would otherwise prohibit disclosures regarding the Potential Bidder, or any transactions it may enter into with the Sellers, to the Notice Parties and other Qualified Bidders who submit a Qualified Bid;

b) current audited financial statements and latest unaudited financial statements of the Potential Bidder, or such other form of financial disclosure and credit quality support or enhancement that allows the Monitor, in consultation with the Sellers, to make a reasonable determination as to the Potential Bidder's financial and other capabilities to consummate a sale;

c) confirmation that the Potential Bidder has not engaged and will not engage in any collusion with respect to the bidding or the transactions, and if such Potential Bidder is an entity formed for the purpose of acquiring the Assets, or any portion thereof, confirmation from each of the Equity Holders of such Potential Bidder that such Equity Holder has not engaged and will not engage in any collusion with respect to the bidding or the transactions, such confirmation, in each case, in form and substance satisfactory to the Monitor; and

d) a statement outlining the Potential Bidder's interest in purchasing the Assets, or a portion thereof, from the Sellers, including: (i) any Assets expected to be excluded; (ii) the structure and financing of the sale (including, but not limited to, the sources of financing for the purchase price and all requisite financial assurance); (iii) any anticipated corporate or other approvals required to close the sale, the anticipated time frame and any anticipated impediments for obtaining such approvals; and (iv) any conditions to closing that the Potential Bidder may wish to impose.

The Monitor, after consultation with the Sellers and the DIP Lenders, may extend the Participation Deadline once or successively, but is not obligated to so.

If it is determined by the Monitor, after consultation with the Sellers and the DIP Lenders, that a Potential Bidder: (i) has a *bona fide* interest in an acquisition of the Assets; (ii) has delivered all of the Participation Materials prior to the Participation Deadline; and (iii) has the financial capability (based on availability of financing, experience and other considerations) to consummate such a transaction based on such Potential Bidder's financial information; such Potential Bidder will be deemed a "**Qualified Bidder**". The determination as to whether a Potential Bidder is a Qualified Bidder will be made as promptly as practicable after a Potential Bidder delivers all of the Participation Materials, and each such determination shall be reported to each of the Notice Parties and to the applicable Qualified Bidder. The Monitor may determine, after consultation with the Sellers and the DIP Lenders, whether to entertain bidders for the Assets that have not met one or more of the requirements specified above and deem such bidders to be Qualified Bidders.

Due Diligence

The Sellers may in their reasonable business judgment, and subject to competitive and other business considerations, afford each Qualified Bidder and any other person seeking to become a Qualified Bidder that has executed a confidentiality agreement as described in clause (a) under the heading "Participation Requirements" above with the Sellers such access to due diligence materials and information relating to the Assets as the Sellers deem appropriate after consultation with the Monitor and the DIP Lenders. Due diligence access may include management presentations as may be scheduled by the Sellers, access to electronic data rooms, on-site inspections, and other matters which a Qualified Bidder may reasonably request and as to which the Sellers, in its reasonable business judgment, may agree. The Monitor will designate a representative to coordinate all reasonable requests for additional information and due diligence access from Qualified Bidders and the manner in which such requests must be communicated. No additional due diligence for any party other than a Qualified Bidder who has submitted a Qualified Bid will continue after the Bid Deadline (as defined below). Neither the Sellers nor any of their affiliates (or any of their respective representatives) will be obligated to furnish any information relating to the Assets to any person other than to Qualified Bidders. The Sellers make no representation or warranty as to the information to be provided through this due diligence process or otherwise, except as set forth in any definitive transaction agreement(s) with the Successful Bidder.

Bid Deadline

A Qualified Bidder that desires to make a bid shall deliver written copies of its bid to each of the following parties (collectively, the "**Notice Parties**"): (i) the Monitor, Ernst & Young Inc., Ernst & Young Tower, 222 Bay Street, Toronto, ON M5K 1J7, Attention: Mike Dean, email: mike.p.dean@ca.ey.com; (ii) counsel to the Sellers, Norton Rose Fulbright Canada LLP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 3300, P.O. Box, Toronto, ON M5J 2Z4, Attention: Virginie Gauthier, fax: 416-216-3930, e-mail: virginie.gauthier@nortonrosefulbright.com; (iii) Canaccord Genuity Corp., Brookfield Place, 161 Bay Street, Suite 3000, Toronto, ON M5J 2S1, Attention: Barry Goldberg and Michael Levin, e-mail: bgoldberg@canaccordgenuity.com and mlevin@canaccordgenuity.com; and (iv) counsel to the DIP lenders, Goodmans LLP, 333 Bay Street, Suite 3400, Toronto, ON M5H 2S7, Attention: Robert Chadwick, fax: 416-979-1234, e-mail: rchadwick@goodmans.ca, so as to be received by the Monitor no later than December 9, 2013 at 5:00 p.m. (ET) (as may be extended as set out below, the "**Bid Deadline**"). The Monitor, after consultation with the Sellers and the DIP Lenders, may extend the Bid Deadline once or successively, but is not obligated to do so. If the Monitor extends the Bid Deadline, the Monitor will promptly notify all Qualified Bidders and the Notice Parties.

Qualified Bid

A bid submitted will be considered a Qualified Bid only if the bid is submitted by a Qualified Bidder and complies (either individually or in combination with other bids that make up one Qualified Bid) with all of the following (a "**Qualified Bid**"):

a) the bid (either individually or in combination with other bids that make up one Qualified Bid) is an offer to purchase some or all of the Assets on terms and conditions reasonably acceptable to the Monitor, as determined after consultation with the Sellers and the DIP Lenders;

b) it includes a letter stating that the Qualified Bidder's offer is irrevocable until the selection of the Successful Bidder, provided that if such Qualified Bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the earlier of (i) the closing of the Sale to the Successful Bidder, and (ii) 21 days from the Sale Approval Motion, subject to further extensions as may be agreed to under the applicable transaction agreement(s);

c) it includes a duly authorized and executed transaction agreement(s), including the purchase price for the Assets expressed in Canadian dollars (the "**Purchase Price**") together with all exhibits and schedules thereto, all applicable ancillary agreements with all exhibits and schedules thereto (or term sheets that describe the material terms and provisions of such agreements), and proposed orders to approve the sale by the Court;

d) it includes written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction, that will allow the Monitor, in consultation with the Sellers and the DIP Lenders, to make a reasonable determination as to the Qualified Bidder's financial and other capabilities to consummate the Sale;

e) it is not conditioned on (i) the outcome of unperformed due diligence by the Qualified Bidder and/or (ii) obtaining financing;

f) it fully discloses the identity of each entity that will be bidding for the Assets or otherwise sponsoring, financing (including through the issuance of debt in connection with such bid), participating or benefiting from (including through license or similar arrangement with respect to the assets to be acquired in connection with such bid), such bid, and the complete terms of any such sponsorship, participation, financing or benefit, such disclosure to include, without limitation: (i) in the case of a Qualified Bidder formed for the purposes of acquiring Assets (or any portion thereof), the identity of each of the actual or proposed Equity Holders of such Qualified Bidder and the terms and participation percentage of such Equity Holder's interest in such bid; and (ii) the identity of each entity that has or will receive a benefit from such bid from or through the Qualified Bidder or any of its Equity Holders and the terms of such benefit;

g) it includes a commitment by the Qualified Bidder to provide a non-refundable deposit upon being selected as the Successful Bidder and in any event, prior to service of the materials for the Sale Approval Motion (as defined below);

h) it includes an acknowledgement and representation of the Qualified Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Assets prior to making its offer; (ii) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Assets in making its bid; (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Assets or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Sellers;

i) it includes evidence, in form and substance reasonably satisfactory to the Monitor, of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction agreement(s) submitted by the Qualified Bidder;

j) it contains other information reasonably requested by the Monitor, in consultation with the Sellers and the DIP Lenders; and

k) it is received by the Bid Deadline.

The Monitor may determine, in consultation with the Sellers and the DIP Lenders, whether to entertain bids for the Assets that do not conform to one or more of the requirements specified herein and deem such bids to be Qualified Bids; provided that the Monitor, in evaluating such bids, may not waive substantial compliance with any of the above requirements without prior written consent of the Sellers and the DIP Lenders.

The Monitor shall notify each Qualified Bidder in writing as to whether such Qualified Bidder's bid constituted a Qualified Bid within three (3) business days of the expiration of the Bid Deadline, or at such later time as the Monitor deems appropriate after consultation with the Sellers and the DIP Lenders.

If the Monitor, after consultation with the Sellers and the DIP Lenders, is not satisfied with the number or terms of the Qualified Bids submitted by the Bid Deadline, the Monitor may extend the Bid Deadline, or cancel the Sale Process.

Aggregate Bids

The Monitor may, following consultation with the Sellers and the DIP Lenders, aggregate separate bids from unaffiliated Potential Bidders to create one "Qualified Bid" from one or more "Qualified Bidders"; provided that all such bidders shall remain subject to the requirements preventing collusion in these Sale Procedures.

Evaluation of Competing Bids

A Qualified Bid will be valued based upon several factors, including, without limitation, items such as the Purchase Price and the net value provided by such bid, the claims likely to be created by such bid in relation to other bids, the counterparties to such transactions, the proposed transaction documents, other factors affecting the speed, certainty and value of the transaction (including any regulatory approvals required to close the transactions), the assets included or excluded from the bid, the transition services required from the Sellers post-closing, if any, and any related restructuring costs, and the likelihood and timing of consummating such transactions, each as determined by the Monitor, in consultation the Sellers and the DIP Lenders.

Selection of Successful Bid

The Monitor, in consultation with the Sellers and the DIP Lenders, (a) will review and evaluate each Qualified Bid, provided that each Qualified Bid may be negotiated among the Sellers, in consultation with the Monitor and the DIP Lenders, and the applicable Qualified Bidder, and may be amended, modified or varied to improve such Qualified Bid as a result of such negotiations, and (b) identify the highest or otherwise best offer for the Assets (the "**Successful Bid**", and the Qualified Bidder making such Successful Bid, the "**Successful Bidder**"). The determination of any Successful Bid by the Monitor, after consultation with the Sellers and the DIP Lenders, shall be subject to approval by the Court.

Neither the Monitor nor the Sellers shall have any obligation to select a Successful Bid, and they reserve the right, after consultation with the DIP Lenders, to reject any or all Qualified Bids.

Sale Approval Motion Hearing

The motion for an order of the Court approving any Successful Bid or any plan to give effect to any Successful Bid (the "**Sale Approval Motion**") shall be set by the Monitor.

At the hearing of the Sale Approval Motion, the Sellers shall seek, among other things, approval from the Court to consummate any Successful Bid.

All the Qualified Bids other than the Successful Bid, if any, shall be deemed rejected by the Sellers on and as of the date of approval of the Successful Bid by the Court.

Reservation of Rights

The Monitor, after consultation with the Sellers and the DIP Lenders, may (a) determine which Qualified Bid, if any, is the highest or otherwise best offer; (b) reject at any time before the issuance and entry of an order approving a Qualified Bid, any bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Sale Procedures or any order of the Court, or (iii) contrary to the best interests of the Sellers or its creditors; and (c) may modify the Sale Procedures or impose additional terms and conditions on the sale of the Assets.

Neither the Monitor nor the Sellers shall have any obligation to select a Successful Bid, and they reserve the right, after consultation with the DIP Lenders, to reject any or all Qualified Bids.

Nothing herein shall limit the right of any holders of notes of the Sellers, including holders of the senior secured notes, the unsecured notes, the bridge notes and the DIP notes, to advance a recapitalization or CCAA plan.

Miscellaneous

These Sale Procedures are solely for the benefit of the Sellers and nothing contained in the Sale Procedures Order or these Sale Procedures shall create any rights in any other person or bidder (including without limitation rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Sale Procedures Order.

Except as provided in the Sale Procedures Order and Sale Procedures, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Sale Procedures Order and the Sale Procedures.

Limitation of Liability

The Monitor shall not have any liability whatsoever to any person or party, including without limitation any Potential Bidder, the Sellers, the DIP Lenders or any creditor or other stakeholder, for any act or omission related to the process contemplated by these Sale Procedures. By submitting a bid, each Potential Bidder shall be deemed to have agreed that it has no claim against the Monitor for any reason whatsoever.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

Court File No: CV-13-10274-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 8440522 CANADA INC., DATA & AUDIO-VISUAL ENTERPRISES WIRELESS INC., AND DATA & AUDIO-VISUAL ENTERPRISES HOLDINGS INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER
(Approval of Sale Procedures)

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APPENDIX B

Court File No. CV 13-10274-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 8440522 CANADA INC., DATA & AUDIO-VISUAL ENTERPRISES HOLDINGS INC. AND DATA & AUDIO-VISUAL ENTERPRISES WIRELESS INC.

APPLICANTS

PLAN OF COMPROMISE OR ARRANGEMENT

(Acquisition Plan for Successful Bid)

pursuant to the *Companies' Creditors Arrangement Act*
and the *Canada Business Corporations Act*
concerning, affecting and involving

8440522 CANADA INC., DATA & AUDIO-VISUAL ENTERPRISES HOLDINGS INC.
AND DATA & AUDIO-VISUAL ENTERPRISES WIRELESS INC.

April 17, 2014

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PLAN OF COMPROMISE OR ARRANGEMENT

(ACQUISITION PLAN FOR SUCCESSFUL BID)

WHEREAS the Applicants are insolvent;

AND WHEREAS, on September 30, 2013 (the "**Filing Date**"), the Honourable Justice Newbould of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granted an initial Order in respect of the Applicants (as such Order was amended and may be further amended, restated or varied from time to time, the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended (the "**CCAA**");

AND WHEREAS, on November 13, 2013, the Court granted an Order (as such Order may be amended, restated or varied from time to time, the "**Sale Procedures Order**") authorizing the Applicants to conduct a sale process for substantially all of the business and assets of the Applicants pursuant to court-approved sale procedures (the "**Sale Procedures**");

AND WHEREAS, the Purchaser was selected as the Successful Bidder (as that term is defined in the Sale Procedures);

AND WHEREAS pursuant to its Successful Bid (as that term is defined in the Sale Procedures), the Purchaser has proposed to acquire the business and assets of the Applicants pursuant to a plan of compromise or arrangement to be presented to the Affected Unsecured Creditors (as defined below) of the Applicants and the Court pursuant to the CCAA;

AND WHEREAS, on April 23, 2014, the Court granted an Order (as such Order may be amended, restated or varied from time to time, the "**Meeting Order**") authorizing the Applicants to file this plan of compromise or arrangement in respect of the Successful Bid and to convene a meeting of Affected Unsecured Creditors of the Applicants to consider and vote on this plan of compromise or arrangement in respect of the Successful Bid.

NOW THEREFORE, the Applicants hereby propose this plan of compromise or arrangement pursuant to the CCAA and the CBCA and in respect of the Successful Bid.

ARTICLE I – INTERPRETATION

1.1 Definitions

In this Plan, unless otherwise stated or unless the subject matter or context otherwise requires:

"**8440522**" means 8440522 Canada Inc.;

"**Accounts Payable**" means amounts owing by any of the Applicants to any Person as at the date of their determination, which are incurred in connection with the purchase of goods or services in the ordinary course of business;

"**Accounts Receivable**" means accounts receivable, bills receivable, trade accounts, book debts and insurance claims recorded as receivable in the Books and Records and other amounts due or deemed to be due to any of the Applicants including refunds (including Tax refunds) and rebates receivable;

"**Accrued Liabilities**" means ordinarily recurring operating expenses of the Applicants incurred as at the date of their determination but which are not yet due and payable as at the date of their determination and claims against the Applicants that are increasing with the passage of time or receipt of goods or services but are not yet due and payable as at the date of their determination, including accruals for vacation pay, customer rebates and allowances for product returns;

"**Advance Amount Note**" has the meaning given in Section 5.2(b)(v);

"**Advance Amount Loan**" has the meaning given in Section 5.2(b)(v);

"**Ad Hoc Committee of Noteholders**" means the ad hoc committee of certain holders of First Lien Notes, Second Lien Notes and Unsecured Senior Notes represented by Goodmans;

"**Affected Claim**" means any Unsecured Senior Noteholder Claim, Unsecured Pari Passu Noteholder Claim, Unsecured Subordinated Noteholder Claim, Restructuring Claim, and all Claims of the Existing Equity Holders in their capacity as such, including all Equity Claims;

"**Affected Unsecured Creditor**" means any Person with an Unsecured Senior Noteholder Claim, an Unsecured Pari Passu Noteholder Claim, an Unsecured Subordinated Noteholder Claim or a Restructuring Claim;

"**Affected Unsecured Creditor Class**" means the class of stakeholders comprised of all Affected Unsecured Creditors having the rights specified in Section 3.1;

"**Amalco**" has the meaning given to such term in Section 5.2(b)(iv);

"**Amended and Restated Commitment Agreement**" means the second amended and restated commitment agreement dated as of April 29, 2011 among Holdings, Quadrangle, and Data & Audio-Visual Enterprises Investments Inc.;

"**Applicants**" means, collectively, 8440522 Canada Inc., Data & Audio-Visual Enterprises Holdings Inc., and Data & Audio-Visual Enterprises Wireless Inc.;

"**Articles of Arrangement**" means the articles of arrangement of Amalco in respect of the Transaction, that are required to be filed with the CBCA Director after the Sanction Order is made in order for the Transaction to become effective on the Effective Date;

"**BIA**" means the *Bankruptcy and Insolvency Act*, R. S. C. 1985, c. B-3, as amended;

"**Books and Records**" means books and records of the Applicants, including financial, corporate, operations and sales books, records, books of account, sales and purchase records, lists of suppliers and customers, formulae, business reports, plans and projections and all other documents, surveys, plans, files, records, assessments, correspondence, and other data and information, financial or otherwise, including all data, information and databases stored on computer-related or other electronic media;

"**Business**" means the business of the Applicants to provide wireless telecommunication services in Canada;

"**Business Day**" means any day, other than a Saturday or a Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;

"**Canadian Dollars**" or "**$**" means the lawful currency of Canada;

"**Canadian Tax Act**" means the *Income Tax Act* (Canada) and the *Income Tax Regulations*, in each case as amended from time to time;

"**Cash Flow Forecast**" has the meaning given to that term in the Unsecured Senior Noteholders' Support Agreement;

"**CBCA**" means the *Canada Business Corporations Act*, R.S.C. 1985 c. C-44, as amended;

"**CBCA Director**" means the Director appointed under section 260 of the CBCA;

"**CCAA**" has the meaning given to that term in the recitals hereto;

"**CCAA Proceeding**" means the proceeding commenced by the Applicants under the CCAA on the Filing Date in the Court under court file number CV 13-10274-00CL;

"**CDS**" means CDS Clearing and Depository Services, Inc. or any successor thereof;

"**Certificate of Arrangement**" means the certificate giving effect to the Transaction, to be issued by the CBCA Director pursuant to section 192(7) of the CBCA upon receipt of the Articles of Arrangement in accordance with section 262 of the CBCA;

"**Charge Amounts**" means the reasonable and documented amounts incurred on or prior to the Effective Date but not yet paid and which are secured by the Charges;

"**Charges**" has the meaning given to that term in the Initial Order (other than the DIP Lenders' Charge as defined in the Initial Order);

"**Claim**" means any right or claim, including any Tax Claim, of any Person that may be asserted or made in whole or in part against any of the Applicants, in any capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, whether at law or in equity, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, any legal, statutory, equitable or fiduciary duty) or by reason of any equity interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and together with any security enforcement costs or legal costs associated with any such claim, and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, warranty, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including any claim arising from or caused by the termination, disclaimer, resiliation, assignment or repudiation by any of the Applicants of any contract, lease or other agreement, whether written or oral, any claim made or asserted against any of the Applicants through any affiliate, subsidiary, associated or related person, or any right or ability of any Person to advance a claim for an accounting, reconciliation, contribution, indemnity, restitution or otherwise with respect to any matter, grievance, action (including any class action or proceeding before an administrative tribunal), cause or chose in action, whether existing at present or commenced in the future, including without limiting the generality of the foregoing, any security interest, charge, mortgage or other encumbrance in connection with any of the foregoing;

"**Class B Shares**" means the non-voting participating Class B Shares (i) in the capital of Holdings that are duly issued and outstanding immediately prior to the amalgamation of Holdings and 8440522 pursuant to Section 5.2(b)(iv) and (ii) in the capital of Amalco that are duly issued and outstanding thereafter;

"**Closing Deliveries**" has the meaning given to that term in Section 5.2(a);

"**Commissioner**" means the Commissioner of Competition appointed under the *Competition Act* (Canada) or his designee;

"**Common Shares**" means the common shares (i) in the capital of Holdings that are duly issued and outstanding immediately prior to the amalgamation of Holdings and 8440522 pursuant to Section 5.2(b)(iv) and (ii) in the capital of Amalco that are duly issued and outstanding thereafter, and for greater certainty, shall not include the New Common Shares;

"**Competition Act Approval**" means (A) the issuance of an advance ruling certificate by the Commissioner with respect to the Transaction contemplated by this Plan or (B) that (i) the applicable waiting period under section 123 of the *Competition Act* shall have expired, been waived or been terminated, or the Commissioner shall have waived the obligation to notify and supply information under section 113(c) of the *Competition Act* because substantially similar information was previously supplied in relation to a request for an advance ruling certificate; and (ii) unless this paragraph (ii) is waived by the Purchaser at its sole discretion, the Purchaser shall have been advised in writing by the Commissioner that the Commissioner does not at that time intend to make an application for an order under section 92 of the *Competition Act* in respect of the Transaction contemplated by the Plan, and any terms and conditions attached to any such advice shall be acceptable to the Purchaser acting reasonably, and such advice has not been withdrawn;

"**Consenting Noteholders**" means, at the time that any consent, waiver or agreement is sought in connection with this Plan, any combination of noteholders holding not less than a majority of the Unsecured Senior Notes held by all of the Unsecured Senior Noteholders who have signed the Unsecured Senior Noteholders' Support Agreement, except that if any consent, waiver or agreement is sought in connection with this Plan that affects the economic recovery of the First Lien Noteholders, the Second Lien Noteholders or the DIP Lenders, the definition of "Consenting Noteholders" shall also include and require: (i) in the case of any consent, waiver or agreement sought in connection with this Plan that affects the economic recovery of the First Lien Noteholders, subject to Section 8.5(e), the consent of any combination of noteholders holding not less than a majority of First Lien Notes held by all of the First Lien Noteholders who have signed the First Lien Noteholders' Support Agreement; (ii) in the case of any consent, waiver or agreement sought in connection with this Plan that affects the economic recovery of the Second Lien Noteholders, the consent of any combination of noteholders holding not less than a majority of the Second Lien Notes held by all of the Second Lien Noteholders who have signed the Second Lien Noteholders' Support Agreement; and (iii) in the case of any consent, waiver or agreement sought in connection with this Plan that affects the economic recovery of the DIP Lenders, the consent of any combination of noteholders holding not less than a majority of the DIP Notes held by all of the DIP Lenders who have signed the DIP Lenders' Support Agreement;

"**Contracts Schedule**" means a list of contracts provided by the Purchaser to the Applicants at least 10 Business Days prior to the Effective Date.

"**Court**" has the meaning given to that term in the recitals hereto;

"**Creditor**" means any Person having a Claim and may, if applicable, include the assignee of a Claim or a personal representative, trustee, interim receiver, receiver, receiver and manager, liquidator or other Person acting on behalf of such Person;

"**CRO**" means the Chief Restructuring Officer of the Applicants;

"**DAVE Subscription Agreement**" means the subscription agreement for shares dated as of August 1, 2008 between Data & Audio-Visual Enterprises Investments Inc. and Holdings;

"**DIP Agreement**" means the DIP note purchase and guarantee agreement made as of September 30, 2013 among Wireless, as issuer, Holdings, as guarantor, the DIP Lenders and Equity Financial Trust Company as collateral agent, as the same was amended, and may be further amended, supplemented or restated from time to time;

"**DIP Lender Claims**" means all Claims of the DIP Lenders and the collateral agent under the DIP Agreement;

"**DIP Lenders**" means, as applicable, the Registered Holders or beneficial holders of the DIP Notes, in their capacities as such;

"DIP Lenders' Support Agreement" means the support agreement dated as of April 17, 2014 between the Purchaser, the Applicants and the DIP Lenders setting forth, among other things, the terms and conditions upon which those DIP Lenders have agreed to support the Transaction;

"DIP Note Amount" means, as of the Effective Date, an amount payable in cash equal to all amounts owing in respect of the DIP Notes in accordance with the provisions of the DIP Agreement (including, without limitation, the DIP Funding Fee (as defined in the DIP Note Purchase Agreement));

"DIP Notes" means the second lien secured promissory notes issued and certified, or deemed to be issued and certified, under the DIP Agreement;

"Director" means, with respect to any of the Applicants, anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or de facto director of such Applicant;

"Draft Net Working Capital Statement" means a certificate signed by a senior officer of the Purchaser setting forth the Net Working Capital and all applicable elements to its calculation as of the Effective Date;

"Effective Date" means the date when the Closing Deliveries are completed and the conditions set out in Section 7.3 have been fulfilled, satisfied or waived (to the extent permitted under Section 7.4) in accordance with this Plan and the Certificate of Arrangement has been issued;

"Effective Time" means 12:01 a.m. on the Effective Date or such other time as the Applicants, the Purchaser and the Consenting Noteholders, each acting reasonably, may agree in writing;

"Employee Priority Claims" means the following Claims of employees and former employees of the Applicants:

(a) Claims equal to the amounts that such employees and former or inactive employees would have been qualified to receive under paragraph 136(1)(d) of the BIA if the Applicants had become bankrupt on the Filing Date; and

(b) Claims for wages, salaries, commissions or compensation for services rendered by them after the Filing Date and on or before the Effective Date together with, in the case of traveling sales persons, disbursements properly incurred by them in and about the Business during the same period;

"Equity Claims" has the meaning given to that term in section 2(1) of the CCAA;

"Estimated Net Working Capital" has the meaning given to that term in Section 4.1(a);

"Estimated Net Working Capital Statement" has the meaning given to that term in Section 4.1(a);

"Existing Equity Holders" means, collectively, the Existing Shareholders, the Registered Holders or beneficial holders of Existing Share Options, and the holders of any Equity Claims, or any transferees or assignees thereof, in their capacities as such, as applicable;

"Existing Share Options" means all rights, options, warrants, restricted stock units and other securities convertible or exchangeable into equity securities (including the Options, Warrants and the RSUs):

(a) that are duly issued and outstanding in the capital of Holdings immediately prior to the amalgamation of Holdings and 8440522 pursuant to Section 5.2(b)(iv), if any, prior to the implementation of the Transaction; and

(b) that are duly issued and outstanding in the capital of Wireless, if any, prior to the implementation of the transactions contemplated by this Plan;

"**Existing Shareholders**" means, as applicable, the Registered Holders or beneficial holders of the Existing Shares or any transferees or assignees thereof, in their capacities as such;

"**Existing Shares**" means, collectively, the Common Shares and Class B Shares;

"**Filing Date**" has the meaning given to that term in the recitals hereto;

"**Final Net Working Capital**" means the Net Working Capital as determined from, and set forth in, the Final Net Working Capital Statement;

"**Final Net Working Capital Statement**" means the Draft Net Working Capital Statement as agreed or finally determined in accordance with Section 4.2;

"**First Lien Holdback Amount**" means cash in an amount of $71,000,000 to be retained in the Holdback Escrow to provide for the repayment in full of all remaining potential Obligations (as defined in the First Lien Note Indenture) under the First Lien Notes, including principal, interest and any additional amounts, fees or premiums that may be claimed to be owing to all First Lien Noteholders in respect of all the First Lien Notes at the time of such repayment, if any, after deducting the First Lien Note Payment Amount, in consideration for the complete satisfaction, release and discharge of all remaining potential Obligations, if any, owing to the First Lien Noteholders pursuant to the First Lien Notes and all First Lien Noteholder Claims, which cash amount is to be retained in escrow by the Monitor pending determination of the applicable First Lien Note Holdback Payment Amounts;

"**First Lien Note Indenture**" means the indenture dated as of April 29, 2011 between Wireless, as issuer, the guarantors party thereto and the First Lien Note Indenture Trustee, as trustee and collateral agent, as the same may have been, and may be, amended, supplemented or restated from time to time;

"**First Lien Note Indenture Trustee**" means Equity Financial Trust Company or such other Person appointed as trustee and collateral agent from time to time under the First Lien Note Indenture;

"**First Lien Noteholder Claim**" means all Claims of the First Lien Noteholders and the First Lien Note Indenture Trustee;

"**First Lien Noteholders**" means, as applicable, the Registered Holders or beneficial holders of the First Lien Notes, in their capacities as such;

"**First Lien Noteholders' Support Agreement**" means the support agreement dated as of April 17, 2014 between the Purchaser, the Applicants and certain First Lien Noteholders setting forth, among other things, the terms and conditions upon which those First Lien Noteholders have agreed to support the Transaction;

"**First Lien Note Payment Amount**" means, an amount, payable in cash, equal to the principal amount outstanding plus accrued and unpaid interest payable, as of the Effective Date, to First Lien Noteholders under the First Lien Note Indenture;

"**First Lien Note Holdback Payment Amount**" means, in respect of a First Lien Noteholder, the amount, if any, payable in cash out of the First Lien Holdback Amount, determined pursuant to an order granted by the Court, or by agreement of the Consenting Noteholders, Quadrangle and such First Lien Noteholder (and, if determined before the Effective Date, Wireless) that provides for the repayment or provision for the repayment in full of the remaining Obligations (as defined in the First Lien Note Indenture), if any, at the time of such repayment under its First Lien Note in accordance with the First Lien Note Indenture, after deducting such First Lien Noteholder's Pro Rata Share of the First Lien Note Payment Amount, made in consideration for the complete satisfaction, release and discharge of all remaining Obligations (if any) to such First Lien Noteholder pursuant to its First Lien Notes;

"**First Lien Notes**" means the 9.5% first lien senior secured notes issued under the First Lien Note Indenture;

"**Funding Amount**" has the meaning given to that term in Section 5.2(b)(xvi);

"**Goodmans**" means Goodmans LLP, in its capacity as counsel to the Ad Hoc Committee of Noteholders and the DIP Lenders, as applicable;

"**Government Authority**" means a federal, state, provincial, territorial, municipal or other government or government department, quasi regulatory body, agency or authority (including a court of law) having jurisdiction over a Person, any of the Applicants, the Business or this Plan;

"**Government Priority Claims**" means all Claims of any Government Authority in respect of amounts that were outstanding as of the Effective Date and that are of a kind that could be subject to a demand under:

(a) subsections 224(1.2) of the *Canadian Tax Act*;

(b) any provision of the *Canada Pension Plan* or the *Employment Insurance Act* (Canada) that refers to subsection 224(1.2) of the *Canadian Tax Act* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, or employee's premium or employer's premium as defined in the *Employment Insurance Act* (Canada), or a premium under Part VII.1 of that *Act*, and of any related interest, penalties or other amounts; or

(c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Canadian Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:

(i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Canadian Tax Act*; or

(ii) is of the same nature as a contribution under the *Canada Pension Plan* if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the *Canada Pension Plan* and the provincial legislation establishes a "provincial pension plan" as defined in that subsection;

"**Holdback Escrow**" means the escrow to be established with the Monitor pursuant to this Plan which shall contain the First Lien Holdback Amount, which shall be funded from the Purchase Price proceeds received on the Effective Date and administered in accordance with the Trust and Escrow Order and this Plan;

"**Holdings**" means Data & Audio-Visual Enterprises Holdings Inc.;

"**IFRS**" means the International Financial Reporting Standards adopted by the International Accounting Standards Board as they exist on the date of this Plan;

"**Independent Auditors**" means an independent national firm of chartered professional accountants mutually agreed to by the Purchaser and the Monitor (after consultation with Goodmans) and, failing such agreement within a period of two Business Days, such independent national firm of chartered professional accountants will be KPMG, which the Purchaser and Goodmans, on behalf of the Ad Hoc Committee of Noteholders, acknowledge is not independent but nevertheless agree to appoint in the event that the Purchaser and the Monitor (after consultation with Goodmans) cannot mutually agree on an independent national firm of chartered professional accountants, or if such firm is unable to act, an independent national firm of chartered professional accountants appointed by the Court;

"**Industry Canada**" means the Canadian federal Department of Industry, or any successor or any department or agency thereof, administering the *Radiocommunication Act* (Canada), among other statutes, including its staff acting under delegated authority, and includes the Minister of Industry (Canada);

"**Industry Canada Approval**" means the approval by Industry Canada of the transfer to the Purchaser of the Spectrum Licenses, the conditions of which approval must be satisfactory to the Purchaser, in its sole discretion, acting reasonably;

"**Initial Order**" has the meaning given to that term in the recitals hereto;

"**Intercreditor Agreement**" means the intercreditor agreement made as of April 29, 2011 among the First Lien Note Indenture Trustee, the Unsecured Senior Note Indenture Trustee, Quadrangle, Holdings, Wireless and Data & Audio-Visual Enterprises Leasing Inc.;

"**Inventories**" means items that are held by any Applicant for sale, license, rental, lease or other distribution in the ordinary course of business, or are being produced for sale, or are to be consumed, directly or indirectly, in the production of goods or services to be available for sale, of every kind and nature and wheresoever situate including inventories of raw materials, work-in-progress, finished goods and by-products, operating supplies and packaging materials;

"**Key Consents**" means (a) Industry Canada Approval, or if Industry Canada Approval cannot be obtained, such other manner effecting the transfer to the Purchaser of the Spectrum Licences that is acceptable to the Purchaser, in its sole discretion; (b) Competition Act Approval; and (c) the Sanction Order (which shall, among other things, confirm the Securityholder Approval);

"**Law**" or "**Laws**" means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, Orders or other requirements, whether domestic or foreign, and the terms and conditions of any permit of or from any Governmental Authority or self-regulatory authority;

"**Material Adverse Effect**" means any event, change, circumstance or effect (each, an "**Effect**") that is occurring after September 30, 2013 and up to and including the closing of the Transaction that is reasonably likely to be or become, individually or in the aggregate, materially adverse to the Applicants, except to the extent that any such Effect directly results from: (a) changes in general economic conditions in Canada; (b) changes affecting the industry generally in which the Applicants operate; (c) the failure of the Applicants to meet internal or external financial forecasts; (d) the loss of the Applicants' current subscribers or employees, provided that the Applicants have continued to operate their respective businesses on a going concern basis; (e) the issuance of additional Second Lien Notes in accordance with the Second Lien Note Purchase Agreement; (f) the issuance of DIP Notes in accordance with the DIP Agreement; (g) the transactions contemplated by the Transaction or this Plan or any announcement thereof; or (h) the pendency of the CCAA Proceeding;

"**Meeting**" means the meeting of Affected Unsecured Creditors, and any adjournment or extension thereof in accordance with the terms of the Meeting Order, that is called and conducted in accordance with the terms of the Meeting Order for the purpose of considering and voting on the Plan;

"**Meeting Order**" has the meaning given to that term in the recitals hereto;

"**Mobilicity Cash**" means any aggregate amount of cash remaining in any accounts of the Applicants on the day that is one Business Day prior the Effective Date, which amount shall be transferred to the Monitor pursuant to Section 4.1(e) and distributed in accordance with this Plan;

"**Mobilicity Released Parties**" means, collectively, the Applicants and their respective predecessors, successors, subsidiaries and affiliates and their respective present and former officers, directors, employees, auditor, financial advisors, legal counsel, agents, the New Board, the Monitor and its legal counsel, and the chief restructuring officer of the Applicants;

"**Mobilicity Transaction Fees**" means the reasonable and documented fees and expenses of any accountant, auditor, broker, financial advisor, consultant, legal counsel, the chief restructuring officer of the Applicants, the Monitor, the legal counsel of the Monitor, or other Person retained by or on behalf of the Applicants in connection with the Plan, the Support Agreements, the Transaction or the transactions contemplated hereby and thereby, including any and all fees and expenses of the securityholders of the Applicants for which the Applicants have agreed to pay or reimburse in connection with the foregoing or otherwise, including without limitation, the reasonable and documented fees and expenses of Goodmans in its capacity as counsel to the Ad Hoc Committee and the DIP Lenders, but in all cases, solely to the extent that such fees and expenses do not otherwise constitute Charge Amounts;

"**Monitor**" means Ernst & Young Inc. as the Court-appointed Monitor of the Applicants;

"**Net Working Capital**" means as of the Effective Date, on a consolidated basis: (i) the gross value on the books of the Applicants of Accounts Receivable for which payment would ordinarily be expected to be received within one year of the Effective Date, less a reasonable allowance for doubtful accounts; plus (ii) the value of Inventories valued at the lower of cost and net realizable value; plus (iii) the value on the books of prepaid expenses of the Applicants which would ordinarily be expected to be used or applied within one year of the Effective Date; less (iv) the aggregate value on the books of the Applicants of Accounts Payable and Accrued Liabilities for which payment would ordinarily be expected to be made within one year of the Effective Date (including amounts owed by the Applicants pursuant to section 6(3) and 6(5) of the CCAA); less (v) the aggregate value on the books of deferred revenues of the Applicants; less (vi) Mobilicity Transaction Fees that remain unpaid on the Effective Date; each element hereunder as defined by IFRS and applied on a consistent basis;

"**New Board**" means the boards of directors of Amalco and Wireless, in each case, the members of which shall be nominated by the Purchaser;

"**New Common Shares**" has the meaning given to that term in Section 5.2(b)(xiii);

"**Note Indentures**" means, collectively, the First Lien Note Indenture and the Unsecured Senior Note Indenture;

"**OBCA**" means the *Business Corporations Act* (Ontario), R.S.O. 1990, C. B.16, as amended;

"**Officer**" means, with respect to any of the Applicants, anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of such Applicant;

"**Option**" means an option to purchase Existing Shares granted by Holdings to any Person and outstanding under the Stock Option Plan, the DAVE Subscription Agreement or otherwise;

"**Order**" means any order of the Court in the CCAA Proceeding;

"**ordinary course of business**", or any similar reference, means, with respect to an action taken by a Person, that such action is consistent with the past practices of such Person and is taken in the ordinary course of the normal day-to-day business and operations of such Person, provided that in any such event such action is not unreasonable or unusual, and, in the case of any of the Applicants, as such practice may be modified in the reasonable judgment of the Applicants, in consultation with the Purchaser, to reflect the CCAA Proceeding and the then current financial condition of the Business and the Applicants;

"**Outside Date**" means June 30, 2014 (or such other date as the Applicants, the Consenting Noteholders and the Purchaser may agree in writing);

"**Payor**" has the meaning given to that term in Section 4.12(b);

"**Person**" is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, Government Authority or any agency, officer or instrumentality thereof or any other entity, wherever situate or domiciled, and whether or not having legal status;

"**Plan**" means this plan of compromise or arrangement (including all schedules hereto) and any amendments, modifications or supplements hereto made in accordance with the terms hereof or made at the direction of the Court in the Sanction Order or otherwise, in each case with the consent of the Purchaser, the Applicants and the Consenting Noteholders, each acting reasonably;

"**Pro Rata Share**" means:

(a) in respect of,

(i) the First Lien Note Payment Amount, and

(ii) the First Lien Holdback Amount,

the percentage that the value of the principal and interest owing on a First Lien Noteholder's First Lien Notes bears to the aggregate value of all principal and interest owing to all First Lien Noteholders on all the First Lien Notes,

(b) in respect of the Second Lien Note Amount, the percentage that the value of the principal and interest owing on a Second Lien Noteholder's Second Lien Notes bears to the aggregate value of all the principal and interest owing to all Second Lien Noteholders on all the Second Lien Notes,

(c) in respect of the DIP Note Amount, the percentage that the value of the principal and interest owing on a DIP Lender's DIP Notes bears to the aggregate value of all the principal and interest owing to all DIP Lenders on all the DIP Notes, and

(d) in respect of each of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration, the Released Payment Amount, and the post-Effective Date Final Net Working Capital adjustment payable under Section 4.15, if any, the percentage that the value of the principal and interest owing on an Unsecured Senior Noteholder's Unsecured Senior Notes, or as the case may be, an Unsecured Pari Passu Noteholder's Unsecured Pari Passu Notes, or, as the case may be, the amount of a Restructuring Claim bears to the aggregate value of (x) all the principal and interest owing to all Unsecured Senior Noteholders on all of the Unsecured Senior Notes, (y) all the principal and interest owing to all Unsecured Pari Passu Noteholders on all of the Unsecured Pari Passu Notes and (z) all Restructuring Claims,

in each case calculated as of the Effective Date;

"**Purchase Price**" means $350,000,000 for the acquisition of the Applicants by the Purchaser or its designee on a funded debt-free and cash-free basis, subject to adjustment in respect of any Working Capital Adjustment;

"**Purchaser**" means TELUS Corporation or its designee;

"**Purchaser Released Parties**" means the Purchaser and its successors, subsidiaries and affiliates and their respective present and former officers, directors, employees, auditor, financial advisors, legal counsel and agents;

"**Quadrangle**" means QCP CW S.A.R.L., a société à responsabilité limitée organized under the laws of Luxembourg;

"**Recipient**" has the meaning given to that term in Section 4.12(b);

"**Registered Holder**" means, in respect of an Unsecured Senior Noteholder, Second Lien Noteholder, DIP Lender, First Lien Noteholder, Unsecured Pari Passu Noteholder, Unsecured Subordinated Noteholder, Existing Shareholder, holder of Existing Share Options, as applicable, the holder of such securities (i) in the case of Unsecured Senior Noteholders and First Lien Noteholders that hold their Unsecured Senior Notes or First Lien Notes, as applicable, through CDS, as recorded on the books and records of CDS, and (ii) in all other cases, as recorded on the books and records of Holdings (or, if then existing, Amalco), Wireless, the First Lien Note Indenture Trustee or the Unsecured Senior Note Indenture Trustee, as the case may be;

"**Released Claims**" has the meaning given to that term in Section 6.1;

"**Released Parties**" means, collectively, the Purchaser Released Parties, the Mobilicity Released Parties and the Securityholders' Released Parties;

"**Released Payment Amount**" means an amount payable in cash equal to the amount by which the First Lien Holdback Amount exceeds the aggregate First Lien Note Holdback Payment Amounts;

"**Representatives**" means, in respect of the Purchaser or an Applicant, the directors, trustees, executives, officers, auditors and employees and financial and legal advisors or other agents of such Purchaser or Applicant;

"**Required Majority**" means a majority in number of Affected Unsecured Creditors, who represent at least two-thirds in value of the Affected Claims held by such Affected Unsecured Creditors, in each case who vote (in person or by proxy) on the resolution to approve the Plan at the Meeting;

"**Restructuring Claim**" means any valid and proven claim of any Person against one or more of the Applicants in connection with any indebtedness, liability or obligation owed by one or more of the Applicants to such Person arising out of the restructuring, disclaimer, resiliation or termination by one or more of the Applicants on or after the Filing Date of any contract, lease or other agreement whether written or oral; provided that no Restructuring Claim shall be compromised under this Plan without the consent of the CRO and the Monitor;

"**Restructuring Claim Holder**" means a holder of a Restructuring Claim;

"**RSUs**" means the share-settled restricted share units issued under the RSU Plan;

"**RSU Plan**" means the restricted stock unit plan of Holdings approved by Holdings' board of directors on February 21, 2012, as amended;

"**Sale Procedures**" means the sale procedures appended to the Sale Procedures Order at Schedule "A", as the same may be amended, restated or varied from time to time;

"**Sale Procedures Order**" has the meaning given to that term in the recitals hereto;

"**Sanction Order**" means the Order of the Court approving the Plan under the CCAA, which shall include such terms as may be necessary or appropriate to give effect to the Transaction and this Plan, all of which shall be in form and substance satisfactory to the Purchaser, the Applicants and the Consenting Noteholders, each acting reasonably;

"**Second Lien Note Amount**" means, as of the Effective Date, an amount payable in cash equal to all amounts owing in respect of the Second Lien Notes in accordance with the provisions of the Second Lien Note Purchase Agreement (including, without limitation, the Bridge Funding Fee and the Liquidity Payment (in each case as defined in the Second Lien Note Purchase Agreement) payable in connection with the Plan);

"**Second Lien Note Purchase Agreement**" means the note purchase, guarantee and backstop agreement dated as of February 6, 2013 between Wireless, as issuer, Holdings and Data & Audio-Visual Enterprises Leasing Inc. as guarantors, each of the "Purchasers" (as defined therein) and Equity Financial Trust Company, as collateral agent, as the same may have been, and may be, amended, supplemented or restated from time to time;

"**Second Lien Noteholder Claim**" means all Claims of the Second Lien Noteholders and the collateral agent under the Second Lien Note Purchase Agreement;

"**Second Lien Noteholders**" means, as applicable, the Registered Holders or beneficial holders of the Second Lien Notes, in their capacities as such;

Second Lien Noteholders' Support Agreement means the support agreement dated as of April 17, 2014 between the Purchaser, the Applicants and the Second Lien Noteholders setting forth, among other things, the terms and conditions upon which those Second Lien Noteholders have agreed to support the Transaction;

"**Second Lien Notes**" means the second lien secured promissory notes issued by Wireless under the Second Lien Note Purchase Agreement;

"**Securityholder Approval**" means the approval of the Plan by the Affected Unsecured Creditors in accordance with and pursuant to the terms of the Meeting Order, which approval shall be ratified by the Sanction Order;

"**Securityholders' Released Parties**" means, collectively, the First Lien Note Indenture Trustee, the First Lien Noteholders, the Second Lien Noteholders, the collateral agent under the Second Lien Note Purchase Agreement, the DIP Lenders, the collateral agent under the DIP Agreement, the Unsecured Senior Note Indenture Trustee, the Unsecured Senior Noteholders, the Unsecured Pari Passu Noteholders, the Unsecured Subordinated Noteholders, the Existing Equity Holders, the Existing Shareholders, and their respective subsidiaries and affiliates, officers, directors, employees, auditors, financial advisors and legal counsel (including legal counsel to the Ad Hoc Committee of Noteholders and the DIP Lenders);

"**Shareholders' Agreements**" means, collectively, (i) the second amended and restated shareholders' agreement dated May 14, 2010 between Data & Audio-Visual Enterprises Investments Inc., Quadrangle, Holdings and Wireless, (ii) the unanimous shareholder declaration dated August 1, 2008 between Wireless and Holdings, and (iii) the unanimous shareholder declaration dated February 19, 2010 between Data & Audio-Visual Enterprises Leasing Inc., Wireless and Holdings;

"**Spectrum Licences**" means all spectrum licenses issued to Wireless and its affiliates by Industry Canada pursuant to the *Radiocommunication Act* (Canada) and the policies, rules, and regulations promulgated thereunder;

"**Stock Option Plan**" means the stock option plan of Holdings, approved by Holdings' board of directors on February 10, 2010, as amended;

"**Successful Bid**" has the meaning given to that term in the Sale Procedures;

"**Support Agreements**" means, collectively, the First Lien Noteholders' Support Agreement, the Second Lien Noteholders' Support Agreement, the DIP Lenders' Support Agreement, the Unsecured Senior Noteholders' Support Agreement, and any other support agreements entered into by the Applicants, the Purchaser and any other Person in respect of the Transaction;

"**Target Net Working Capital**" means negative $22,000,000 as adjusted in accordance with Section 4.1(b);

"**Tax**" or "**Taxes**" means any and all taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever, including all interest, penalties, fines, additions to tax or other additional amounts in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, Quebec and other government pension plan premiums or contributions;

"**Tax Claim**" means any Claim against any member of the Applicants for any Taxes in respect of any taxation year or period;

"**Transaction**" means the transaction, on the terms and subject to the conditions set out in this Plan, subject to any amendments or variations thereto made in accordance with Section 8.5 of this Plan or made at the direction of the Court in the Sanction Order or otherwise, in each case with the consent of the Purchaser, the Applicants and the Consenting Noteholders, each acting reasonably, pursuant to which the Purchaser shall acquire all of the New Common Shares of Amalco, and, indirectly, all of the shares of Wireless, and which shall provide for the full and final payment and settlement of any and all First Lien Noteholder Claims, Charge Amounts, Second Lien Noteholder Claims and DIP Lender Claims, and for the full and final compromise and settlement of any and all Claims of the Affected Unsecured Creditors and any and all Claims of the Existing Equity Holders (in each case, whether directly or pursuant to any guarantee provided by any of the Applicants) and the release and discharge of any security provided in respect thereof;

"**Trust and Escrow Order**" an Order of the Court pursuant to which the Purchase Price, the amount of the Advance Amount Loan, the First Lien Holdback Amount and that portion of the Working Capital Holdback Amount that is paid to the Monitor in accordance with Section 4.2(f) shall be held and distributed, in form and substance satisfactory to the Monitor, the Applicants, the Purchaser and the Consenting Noteholders, each acting reasonably;

"**Trustee Claims**" means any rights or claims of the trustees or collateral agents, as the case may be, against any of the Applicants under the DIP Agreement, the Second Lien Note Purchase Agreement or the Note Indentures for compensation, fees, expenses, disbursements or advances, including reasonable legal fees and expenses, incurred or made by or on behalf of the trustees or collateral agents, as the case may be, before or after the Effective Date in connection with the performance of their respective duties under the DIP Agreement, the Second Lien Note Purchase Agreement, the Note Indentures or this Plan, as the case may be;

"**Unaffected Claims**" means Claims other than the Unsecured Senior Noteholder Claims, the Unsecured Pari Passu Noteholder Claims, the Unsecured Subordinated Noteholder Claims, the Restructuring Claims and the Claims of the Existing Equity Holders. For greater certainty, Unaffected Claims include:

(a) Government Priority Claims;

(b) Employee Priority Claims;

(c) any other Claim of any employee, former employee, Director or Officer of any of the Applicants in respect of wages, vacation pay, bonuses, termination pay, severance pay or other remuneration payable to such Person by any of the Applicants, other than any termination pay or severance pay payable by the Applicants to a Person who ceased to be an employee, Director or Officer of any of the Applicants prior to the date of the Sanction Order;

(d) First Lien Noteholder Claims;

(e) Charge Amounts;

(f) Second Lien Noteholder Claims;

(g) DIP Noteholder Claims;

(h) Unaffected Restructuring Claims;

(i) Trustee Claims; and

(j) any trade payables incurred by the Applicants;

"**Unaffected Creditor**" means a Creditor who has an Unaffected Claim, but only in respect of and to the extent of such Unaffected Claim;

"**Unaffected Restructuring Claim**" means a Restructuring Claim that the CRO and/or the Monitor have not consented to be compromised under this Plan;

"**Unsecured Pari Passu Noteholder Claim**" means all Claims of an Unsecured Pari Passu Noteholder pursuant to the Unsecured Pari Passu Notes;

"**Unsecured Pari Passu Noteholders**" means, as applicable, the Registered Holders or beneficial holders of Unsecured Pari Passu Notes, in their capacities as such;

"**Unsecured Pari Passu Notes**" means the "Initial Convertible Debentures" as defined in the Amended and Restated Commitment Agreement, which rank pari passu with the Unsecured Senior Notes pursuant to the Intercreditor Agreement;

"**Unsecured Senior Note Indenture**" means the trust indenture amended and restated as of April 29, 2011 between Holdings, as issuer, and the Unsecured Senior Note Indenture Trustee, as trustee, as the same may have been, and may be, amended, supplemented or restated from time to time;

"**Unsecured Senior Note Indenture Trustee**" means Equity Financial Trust Company or such other Person appointed as trustee from time to time under the Unsecured Senior Note Indenture;

"**Unsecured Senior Noteholder Claim**" means all Claims of an Unsecured Senior Noteholder and the Unsecured Senior Note Indenture Trustee, pursuant to the Unsecured Senior Notes and the Unsecured Senior Note Indenture;

"**Unsecured Senior Noteholders**" means, as applicable, the Registered Holders or beneficial holders of the Unsecured Senior Notes, in their capacities as such;

"**Unsecured Senior Noteholders' Support Agreement**" means the support agreement dated as of April 17, 2014 between the Purchaser, the Applicants and certain Unsecured Senior Noteholders setting forth, among other things, the terms and conditions upon which those Unsecured Senior Noteholders have agreed to vote in favour of and support the Transaction;

"**Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration**" means an amount: (A) payable in cash on the Effective Date pursuant to Sections 4.7(a), 4.8(a) and 4.9(a) equal to (a) the balance of the Purchase Price after (i) deduction of the Working Capital Holdback Amount, (ii) the payment of the First Lien Note Payment Amount to the First Lien Noteholders pursuant to Section 4.3(a)(i), (iii) the payment of the First Lien Holdback Amount into escrow with the Monitor pursuant to Section 4.3(a)(i), (iv) the payment of the Charge Amounts, (v) the payment of amounts owing to the Second Lien Noteholders pursuant to Section 4.5, (vi) the payment of amounts owing to the DIP Lenders pursuant to Section 4.6, plus (b) any Mobilicity Cash, less (c) the Trustee Claims, Unaffected Restructuring Claims and Mobilicity Transaction Fees; and thereafter any amounts (B) payable in cash following the Effective Date in respect of (a) any Released Payment Amount pursuant to Section 4.14 and (b) any payment on account of a positive final net Working Capital Adjustment pursuant to Section 4.15, if any, as the case may be;

"**Unsecured Senior Notes**" means the 15% senior unsecured debentures issued by Holdings under the Unsecured Senior Note Indenture;

"**Unsecured Subordinated Noteholder Claim**" means all Claims of an Unsecured Subordinated Noteholder, pursuant to the Unsecured Subordinated Notes;

"**Unsecured Subordinated Noteholders**" means, as applicable, Registered Holders and beneficial holders of the Unsecured Subordinated Notes, in their capacities as such;

"**Unsecured Subordinated Notes**" means the Future Convertible Debentures (as defined in the Amended and Restated Commitment Agreement) issued pursuant to the Amended and Restated Commitment Agreement, which rank subordinate to the Unsecured Senior Notes and the Unsecured Pari Passu Notes pursuant to the Amended and Restated Commitment Agreement and the Intercreditor Agreement;

"**Voting Claims**" means Claims of Affected Unsecured Creditors as determined pursuant to the Meeting Order for purposes of voting on the Plan at the Meeting;

"**Voting Record Date**" means April 15, 2014;

"**Warrants**" means, the share purchase warrants of (i) Holdings immediately prior to the amalgamation of Holdings and 8440522 pursuant to Section 5.2(b)(iv) and (ii) Amalco thereafter;

"**Wireless**" means Data & Audio Visual Enterprises Wireless Inc.;

"**Wireless Advance Amount**" has the meaning given in Section 5.2(b)(vi);

"**Wireless Advance Amount Note**" has the meaning given in Section 5.2(b)(vi);

"**Working Capital Adjustment**" means the potential working capital adjustments provided for in Section 4.1(a) and Section 4.2(f); and

"**Working Capital Holdback Amount**" means $15,000,000.

1.2 Certain Rules of Interpretation

For the purposes of this Plan:

(a) Unless otherwise expressly provided herein, any reference in this Plan to an instrument, agreement or an Order or an existing document or exhibit filed or to be filed means such instrument, agreement, Order, document or exhibit as it may have been or may be amended, modified, or supplemented in accordance with its terms;

(b) The division of this Plan into articles and sections and the inclusion of a table of contents are for convenience of reference only and do not affect the construction or interpretation of this Plan, nor are the descriptive headings of articles and sections intended as complete or accurate descriptions of the content thereof;

(c) The use of words in the singular or plural, or with a particular gender, including a definition, shall not limit the scope or exclude the application of any provision of this Plan to such Person (or Persons) or circumstances as the context otherwise permits;

(d) The words "**includes**" and "**including**" and similar terms of inclusion shall not, unless expressly modified by the words "**only**" or "**solely**", be construed as terms of limitation, but rather shall mean "**includes but is not limited to**" and "**including but not limited to**", so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive;

(e) Unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Toronto, Ontario and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day;

(f) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends;

(g) Unless otherwise provided, any reference to a statute or other enactment of parliament, a legislature or other Government Authority includes all regulations made thereunder, all amendments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation;

(h) References to a specific Recital, Article or Section shall, unless something in the subject matter or context is inconsistent therewith, be construed as references to that specific Recital, Article or Section of this Plan, whereas the terms "**this Plan**", "**hereof**", "**herein**", "**hereto**", "**hereunder**" and similar expressions shall be deemed to refer generally to this Plan and not to any particular Recital, Article, Section or other portion of this Plan and include any documents supplemental hereto; and

(i) The word "or" is not exclusive.

1.3 Successors and Assigns

This Plan shall be binding upon and shall enure to the benefit of the heirs, administrators, executors, legal personal representatives, successors and assigns of any Person named or referred to in this Plan.

1.4 Governing Law

This Plan shall be governed by and construed in accordance with the laws of Ontario and the federal laws of Canada applicable therein. All questions as to the interpretation of or application of this Plan and all proceedings taken in connection with this Plan and its provisions shall be subject to the jurisdiction of the Court.

1.5 Currency

Unless otherwise stated, all references in this Plan to sums of money are expressed in, and all payments provided for herein shall be made in, Canadian Dollars.

1.6 Date for Any Action

If the date on which any action is required to be taken hereunder by a Person is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.7 Time

Time shall be of the essence in this Plan.

ARTICLE II – PURPOSE AND EFFECT OF THIS PLAN

2.1 Purpose

The purpose of this Plan is:

(a) to provide for the acquisition of the Applicants (and thereby indirectly the Business and the Spectrum Licences) by the Purchaser pursuant to the Successful Bid and the Sale Procedures;

(b) to enable the Applicants to continue their Business as a going concern from and after the Effective Date;

(c) to provide for the full and final repayment of all of the First Lien Notes, the Charge Amounts, the Second Lien Notes and the DIP Notes, and the settlement, extinguishment, release and discharge of the First Lien Noteholder Claims, Second Lien Noteholder Claims and DIP Lender Claims and any security provided in respect thereof, including the Charges and the DIP Lenders' Charge (as defined in the Initial Order);

(d) to provide for the full and final compromise, settlement, extinguishment, release and discharge of all Unsecured Senior Noteholder Claims, Unsecured Pari Passu Noteholder Claims and Restructuring Claims in exchange for the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration;

(e) to provide for the cancellation of the Unsecured Subordinated Notes and the termination of the Amended and Restated Commitment Agreement and the full and final compromise, settlement, extinguishment, release and discharge of all Unsecured Subordinated Noteholder Claims; and

(f) to effect the cancellation of all Existing Shares and all Existing Share Options;

in the expectation that all Persons with a remaining economic interest in the Applicants will derive a greater benefit from the implementation of this Plan than would otherwise result, including from a bankruptcy of the Applicants pursuant to the BIA.

2.2 Persons Affected

This Plan affects:

(i) the Unsecured Senior Noteholders, the Unsecured Pari Passu Noteholders and Restructuring Claim Holders through the full and final compromise, settlement, extinguishment, release and discharge of all Unsecured Senior Noteholder Claims, Unsecured Pari Passu Noteholder Claims and Restructuring Claims in exchange for the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration;

(ii) the Unsecured Subordinated Noteholders through the cancellation of the Unsecured Subordinated Notes and the Amended and Restated Commitment Agreement and the full and final compromise, settlement, extinguishment, release and discharge of all Unsecured Subordinated Noteholder Claims;

(iii) the Existing Shareholders through the cancellation of their Existing Shares; and

(iv) holders of the Existing Share Options through the cancellation of the Existing Share Options.

Subject to the satisfaction, completion or waiver (to the extent permitted pursuant to Section 7.4) of the conditions precedent set out herein, this Plan will become effective in the sequence and at the times described in Section 5.2(b) from and after the Effective Time and shall be binding on and enure to the benefit of the Applicants, the Purchaser, the First Lien Noteholders, the First Lien Note Indenture Trustee, the Second Lien Noteholders, the collateral agent under the Second Lien Note Purchase Agreement, the DIP Lenders, the collateral agent under the DIP Agreement, the Unsecured Senior Noteholders, the Unsecured Senior Note Indenture Trustee, the Unsecured Pari Passu Noteholders, the Unsecured Subordinated Noteholders, all Existing Equity Holders, all Released Parties, and all other Persons named or referred to in, or subject to, this Plan, and their respective successors and assigns and their respective heirs, executors, administrators and other legal representatives, successors and assigns.

2.3 Persons Not Affected

For greater certainty, this Plan does not affect the Unaffected Creditors with respect to and to the extent of their Unaffected Claims, except with respect to: (i) the Released Claims; (ii) the matters dealt with in Sections 8.1 and 8.2; (iii) in respect of the First Lien Noteholders and the First Lien Noteholder Claims, the settlement, extinguishment, release and discharge of all such Claims, and any security provided in respect thereof, by the payment of the First Lien Note Payment Amount and the establishment of the Holdback Escrow; (iv) in respect of the beneficiaries of the Charges, the settlement, extinguishment, release and discharge of all such Charges by payment of the Charge Amounts; (v) in respect of the DIP Lenders and the DIP Lender Claims, the settlement, extinguishment, release and discharge of all such Claims, and any security provided in respect thereof, including any Charge and the DIP Lenders' Charge (as defined in the Initial Order), by the payment of the DIP Note Amount; (vi) in respect of the Second Lien Noteholders and the Second Lien Noteholder Claims, the settlement, extinguishment, release and discharge of all such Claims, and any security provided in respect thereof, by the payment of the Second Lien Note Amount, and (vii) in respect of the holders of Unaffected Restructuring Claims and the Unaffected Restructuring Claims, the settlement, extinguishment, release and discharge of all such Claims, and any security provided in respect thereof, by the payment of the Unaffected Restructuring Claims, as more specifically provided for in this Plan. Nothing in this Plan shall affect the Applicants' rights and defences, both legal and equitable, with respect to any Unaffected Claims, including, but not limited to, all rights with respect to legal and equitable defences or entitlements to set-offs or recoupments against such Unaffected Claims.

ARTICLE III – CLASSIFICATION, VOTING CLAIMS AND RELATED MATTERS

3.1 Classes

For the purposes of voting on the Plan, there shall be one class of stakeholders voting on this Plan consisting of the Affected Unsecured Creditor Class.

3.2 Voting Claims

Affected Unsecured Creditors (including, for greater certainty, beneficial holders of an Unsecured Noteholder Claims, registered holders of Unsecured Pari Passu Noteholder Claims and Unsecured Subordinated Claims, and holders of Restructuring Claims) each as of the Voting Record Date, shall each be entitled to one vote in respect of their respective Voting Claims as a single class at the Meeting in respect of the Plan, in accordance with and pursuant to the terms of the Meeting Order.

3.3 Meeting

The Meeting shall be held in accordance with this Plan, the Meeting Order and any further Order in the CCAA Proceeding. The only Persons entitled to attend and vote on the Plan at the Meeting are those specified in the Meeting Order.

3.4 Required Majority

In order to be approved, the Plan must receive the affirmative vote of the Required Majority of the Affected Unsecured Creditor Class.

3.5 Unaffected Claims

Unaffected Creditors shall not be entitled to attend or vote at the Meeting in respect of their Unaffected Claims and shall not be entitled to a distribution in respect of their Unaffected Claims unless specifically provided for under and pursuant to this Plan.

3.6 Priority Claims

The Employee Priority Claims and Government Priority Claims shall be assumed by the Purchaser on the Effective Date pursuant to and in accordance with the Plan.

3.7 Guarantees and Similar Covenants

No Person who has a Claim under any guarantee, surety, indemnity, or similar covenant in respect of any Claim which is compromised under the Plan or who has any right to claim over in respect of or to be subrogated to the rights of any Person in respect of a Claim which is compromised under the Plan shall be entitled to any greater rights as against the Applicants than the Person whose Claim is compromised under the Plan.

3.8 Set-Off

The law of set off applies to all Affected Claims.

ARTICLE IV – PROVISIONS GOVERNING DISTRIBUTIONS AND PAYMENTS

4.1 Determination and Funding of Purchase Price Payable on the Effective Date

(a) No less than four Business Days nor more than seven Business Days prior to the Effective Date, the Applicants shall deliver to the Purchaser and Goodmans: (i) a certificate signed by the chief restructuring officer of Holdings setting forth the estimated Net Working Capital as at the Effective Date (as adjusted in accordance with Section 4.1(b)) (the "**Estimated Net Working Capital**"), and setting forth all applicable elements to its calculation (the "**Estimated Net Working Capital Statement**"); and (ii) all supporting work papers used by the Applicants or the Monitor in connection with the calculations of the Net Working Capital set forth in the Estimated Net Working Capital Statement. In the event that on or prior to the second Business Day prior to the Effective Date, the Purchaser notifies the Applicants and Goodmans of any errors contained in the Estimated Net Working Capital Statement (acting in a commercially reasonable manner), the Applicants shall make any and all adjustments to the Estimated Net Working Statement that the Applicants, in their sole and absolute discretion (following consultation with Goodmans), acting in good faith, believe are necessary to rectify such errors notified by the Purchaser in accordance with this Section 4.1(a).

(b) Notwithstanding any provision of this Plan, if any of the Applicants take any action that is not contemplated by the Cash Flow Forecasts which results, or which would otherwise result, pursuant to one or more of the other Working Capital Adjustments set out herein, in (a) an increase in the Purchase Price or (b) all or any portion of the Working Capital Holdback Amount being payable by the Purchaser to the Monitor, then the Target Net Working Capital or the Estimated Net Working Capital (as applicable) shall be adjusted to eliminate the effect of such actions on (i) the calculation of the Working Capital Adjustments, (ii) the increase in the Purchase Price and/or (iii) any partial or full payment of the Working Capital Holdback Amount.

(c) Notwithstanding any provision of this Plan, any liability that may arise solely as a result of the delivery of notices of termination pursuant to Section 7.3(u) herein will not be taken into account in the calculation of Net Working Capital or Target Net Working Capital.

(d) Effective immediately prior to the Effective Time:

(i) if the Estimated Net Working Capital is less than the Target Net Working Capital, then the Purchase Price shall be reduced, dollar for dollar, by an amount equal to the difference between the Estimated Net Working Capital and the Target Net Working Capital; and

(ii) if the Estimated Net Working Capital is greater than the Target Net Working Capital, then the Purchase Price shall be increased, dollar for dollar, by an amount equal to the difference between the Estimated Net Working Capital and the Target Net Working Capital.

(e) One Business Day before the Effective Date, (i) the Purchaser shall deposit with the Monitor in accordance with the Trust and Escrow Order cash in an amount equal to the Purchase Price, as adjusted pursuant to Section 4.1(d), less the Working Capital Holdback Amount, and (ii) Holdings shall deposit with the Monitor in accordance with the Trust and Escrow Order any Mobilicity Cash, which amount shall be obtained by Holdings from Wireless as a non-interest bearing demand loan. The Monitor shall hold the Purchase Price (including amounts in respect of the First Lien Holdback Amount), the Advance Amount Loan funds and the Mobilicity Cash so deposited and any portion of the Working Capital Holdback Amount as and when paid to the Monitor in accordance with Section 4.2(f), in each case in trust for and on behalf of each of the payees, as applicable from time to time, pursuant to and in accordance with the terms of the Trust and Escrow Order, the terms and conditions of this Plan, the sequential steps provided for in Section 5.2(b) and this Article 4, and shall apply the funds so deposited pursuant to and in accordance with the foregoing.

4.2 Post-Effective Date Net Working Capital Adjustment

(a) As soon as reasonably practicable after the Effective Date and in any event not later than 90 days thereafter, the Purchaser shall prepare and deliver, or shall cause Holdings to prepare and deliver, to Goodmans: (i) the Draft Net Working Capital Statement; and (ii) all supporting work papers used in connection with the calculations of the Net Working Capital set forth in the Draft Net Working Capital Statement.

(b) Within 30 days after the receipt of the Draft Net Working Capital Statement, Goodmans shall notify the Purchaser in writing if the Ad Hoc Committee of Noteholders have any objections. Any such notice of objection shall contain a detailed statement describing the basis of each objection, each amount in dispute and reasonable details of the calculation of each such disputed amount. The Creditors and the Monitor are, and shall be, deemed to have accepted and agreed to the Draft Net Working Capital Statement as being the Final Net Working Capital Statement if Goodmans, on behalf of the Ad Hoc Committee of Noteholders, does not deliver a notice of objection containing the information required by this Section 4.2(b) to the Purchaser within the specified period of 30 days.

(c) If the Ad Hoc Committee of Noteholders disputes any part of the Draft Net Working Capital Statement, the Purchaser and Goodmans shall work expeditiously and in good faith in an attempt to resolve such dispute within a further period of 20 days after delivery of the notice of objection by Goodmans to the Purchaser in accordance with Section 4.2(b). Failing resolution of all objections to the Draft Net Working Capital Statement in such timeframe, any matters remaining in dispute shall be submitted for determination to the Independent Auditors. The Independent Auditors shall be required to determine the items in dispute that have been referred to it as soon as reasonably practical but in no event later than 45 days of the referral of the dispute. The Independent Auditors may not resolve any item of any dispute in an amount greater than or less than the respective positions submitted by the Purchaser and Goodmans. In making its determination, the Independent Auditors shall only consider the issues in dispute placed before it and shall rely on IFRS as the basis for the accounting of the disputed items. The determination of the Independent Auditors shall be final and binding upon the Purchaser, the Creditors and the Monitor and will not be subject to appeal, absent manifest error. For these purposes, the Independent Auditors are acting as experts and not as arbitrators.

(d) The Purchaser and the Ad Hoc Committee of Noteholders shall each bear the fees and expenses of their own respective auditors, accountants and advisors in preparing or reviewing, as the case may be, the Estimated Net Working Capital Statement and the Draft Net Working Capital Statement. If the Independent Auditors are retained to resolve a dispute, the costs and expenses of the Independent Auditors shall be borne equally by the Purchaser and the Ad Hoc Committee of Noteholders. However, the Ad Hoc Committee of Noteholders and the Purchaser shall each bear their own costs in presenting their respective cases to the Independent Auditors. From and after the Effective Date, neither the Purchaser nor the Applicants shall be responsible for the payment of Trustee Claims or Mobilicity Transaction Fees incurred by the Applicants unless they (i) have been fully and properly accrued for in the Estimated Net Working Capital Statement and (ii) have not been paid on or prior to the Effective Date.

(e) The Draft Net Working Capital Statement as finally determined pursuant to Section 4.2(b) or Section 4.2(c) is referred to as the Final Net Working Capital Statement. Such Final Net Working Capital Statement will be final and binding upon the Purchaser, the Creditors and the Monitor and will not be subject to appeal, absent manifest error. The procedure set forth in this Section 4.2 for resolving disputes with respect to the Draft Estimated Net Working Capital Statement is the sole and exclusive method of resolving disputes, absent manifest error. Goodmans and the Ad Hoc Committee of Noteholders shall have no liability to any Person for their participation in the determination of the Final Net Working Capital Statement.

(f) On the first Business Day after the Draft Net Working Capital Statement is agreed to or finally determined as being the Final Net Working Capital Statement in accordance with this Section 4.2:

(i) if the Final Net Working Capital as of the Effective Date is less than the Estimated Net Working Capital and:

(A) the amount of the difference is less than the Working Capital Holdback Amount , then the Purchaser shall retain from the Working Capital Holdback Amount an amount equal to such difference and the Purchaser shall pay within two Business Days of such determination to the Monitor in accordance with the Trust and Escrow Order the balance of the Working Capital Holdback Amount for distribution as part of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration, pursuant to and in accordance with the terms of this Plan; or

(B) the amount of the difference is equal to or greater than the Working Capital Holdback Amount, then the Purchaser shall retain the Working Capital Holdback Amount and no additional amount shall be paid or distributed to the Creditors under this Plan or otherwise; or

(ii) if the Final Net Working Capital as of the Effective Date is equal to or greater than the Estimated Net Working Capital, then the Purchaser shall pay within two Business Days of such determination to the Monitor the aggregate of:

(A) the Working Capital Holdback Amount; and

(B) the difference between the Final Net Working Capital Amount and the Estimated Net Working Capital Amount;

in each case, for distribution as part of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration, pursuant to and in accordance with the terms of this Plan.

(g) If Section 4.2(f)(i)(A) or Section4.2(f)(i)(B) applies, the Purchase Price shall be reduced, dollar for dollar, by an amount equal to the amount retained by the Purchaser from the Working Capital Holdback Amount. If Section 4.2(f)(ii)(B) applies, the Purchase Price shall be increased, dollar for dollar, by an amount equal to the amount paid by the Purchaser to the Monitor under Section 4.2(f)(ii)(B).

4.3 Payment to the First Lien Noteholders

(a) Pursuant to and in accordance with all of the sequential steps provided for in Section 5.2(b):

(i) The Monitor shall as soon as reasonably practicable transfer the First Lien Note Payment Amount (less any amounts withheld, paid or payable pursuant to Section 4.12) to the First Lien Note Indenture Trustee from the Purchase Price and the First Lien Note Payment Amount shall be, and shall be deemed to be, received by the First Lien Noteholders, and the Monitor shall retain funds from the Purchase Price equal to the First Lien Holdback Amount in escrow all in consideration for the complete satisfaction and discharge of all Obligations (as defined in the First Lien Note Indenture) owing to the First Lien Noteholders, and the First Lien Noteholders shall be deemed to be Unaffected Creditors under the Plan and the approval of the Plan by the First Lien Noteholders shall be deemed not to be required for approval of the Plan. Each First Lien Noteholder as of the Effective Date shall receive its Pro Rata Share of the First Lien Note Payment Amount (less any amounts withheld, paid or payable in respect of such First Lien Noteholder pursuant to Section 4.12) in accordance with terms set out in the Trust and Escrow Order and in a manner consistent with the procedures set out in the First Lien Note Indenture.

(ii) Upon the determination of the applicable First Lien Note Holdback Payment Amount, by the Court or agreement of the applicable First Lien Noteholder, Quadrangle and the Consenting Noteholders (and Wireless, if prior to the Effective Date) the Monitor shall as soon as reasonably practicable thereafter (or, concurrently with the payment made pursuant to Section 4.3(a)(i) if the applicable First Lien Note Holdback Payment Amount is determined prior to the Effective Date) transfer the applicable First Lien Note Holdback Payment Amount (less any amounts withheld, paid or payable pursuant to Section 4.12) to the First Lien Note Indenture Trustee and such First Lien Note Holdback Payment Amount shall be, and shall be deemed to be, received by the applicable First Lien Noteholder(s) in full and final satisfaction of such Person's Pro Rata Share of the First Lien Holdback Amount. Each First Lien Noteholder as of the Effective Date shall receive its First Lien Note Holdback Payment Amount (less any amounts withheld, paid or payable in respect of such First Lien Noteholder pursuant to Section 4.12) in accordance with terms set out in the Trust and Escrow Order or the Monitor to the First Lien Note Indenture Trustee and in a manner consistent with the procedures set out in the First Lien Note Indenture.

(iii) As soon as reasonably practicable after the payment of all the First Lien Note Holdback Payment Amounts to the First Lien Note Indenture Trustee pursuant to Section 4.3(a)(ii) above, the Monitor shall transfer the Released Payment Amount, if any, in accordance with Section 4.14.

(b) Pursuant to and in accordance with all of the sequential steps provided for in Section 5.2(b), the First Lien Noteholders shall cease to have any rights under the First Lien Notes, the First Lien Note Indenture and the First Lien Noteholder Claims formerly held by them, including to receive any payments of principal, interest, premiums, penalties and/or expenses under the First Lien Notes and the First Lien Note Indenture, but rather the rights of the First Lien Noteholders shall be limited to receiving their Pro Rata Share of the First Lien Note Payment Amount, and any First Lien Note Holdback Payment Amount (less any amounts withheld, paid or payable pursuant to Section 4.12).

4.4 Payment of Charge Amounts

Upon the completion of all of the sequential steps provided for in Section 5.2(b), the Monitor shall as soon as reasonably practicable pay to each beneficiary of each of the Charges any outstanding Charge Amounts owing to such Person (less any amounts withheld, paid or payable in respect of such Person pursuant to Section 4.12) in full and final payment, settlement, extinguishment and release of all such Charge Amounts and Charges and the beneficiaries of the Charges shall be deemed to be Unaffected Creditors under the Plan and the approval of the Plan by the the beneficiaries of the Charges shall be deemed not to be required for approval of the Plan.

4.5 Payment to the Second Lien Noteholders

Upon the completion of all of the sequential steps provided for in Section 5.2(b), the Monitor shall as soon as reasonably practicable pay to each Second Lien Noteholder as of the Effective Date its Pro Rata Share of the Second Lien Note Amount (less any amounts withheld, paid or payable in respect of such Second Lien Noteholder pursuant to Section 4.12) in full and final payment, settlement, extinguishment and release of all Second Lien Noteholder Claims, and the Second Lien Noteholders shall be deemed to be Unaffected Creditors under the Plan and the approval of the Plan by the Second Lien Noteholders shall be deemed not to be required for approval of the Plan. Pursuant to and in accordance with all of the sequential steps provided for in Section 5.2(b), the Second Lien Noteholders shall cease to have any rights under the Second Lien Notes, the Second Lien Note Purchase Agreement and the Second Lien Noteholder Claims formerly held by them, including to receive any payments of principal, interest, premiums, penalties and/or expenses under the Second Lien Notes and the Second Lien Note Purchase Agreement, but rather the rights of the Second Lien Noteholders shall be limited to receiving their Pro Rata Share of the Second Lien Note Amount (less any amounts withheld, paid or payable pursuant to Section 4.12).

4.6 Payment to the DIP Lenders

Upon the completion of all of the sequential steps provided for in Section 5.2(b), the Monitor shall as soon as reasonably practicable pay to each DIP Lender as of the Effective Date its Pro Rata Share of the DIP Note Amount (less any amounts withheld, paid or payable in respect of such DIP Lender pursuant to Section 4.12) in full and final payment, settlement, extinguishment and release of all DIP Lender Claims, and the DIP Lenders shall be deemed to be Unaffected Creditors under the Plan and the approval of the Plan by the DIP Lenders shall be deemed not to be required for approval of the Plan. Pursuant to and in accordance with all of the sequential steps provided for in Section 5.2(b), the DIP Lenders shall cease to have any rights under the DIP Notes, the DIP Agreement and the DIP Lender Claims formerly held by them, including to receive any payments of principal, interest, premiums, penalties and/or expenses under the DIP Notes and the DIP Agreement, but rather the rights of the DIP Lenders shall be limited to receiving their Pro Rata Share of the DIP Note Amount (less any amounts withheld, paid or payable pursuant to Section 4.12).

4.7 Payment to the Unsecured Senior Noteholders

(a) Upon the completion of all of the sequential steps provided for in Section 5.2(b), the Monitor shall as soon as reasonably practicable transfer to the Unsecured Senior Note Indenture Trustee the aggregate of all of the Unsecured Senior Noteholders' Pro Rata Share of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration (less any amounts withheld, paid or payable pursuant to Section 4.12) in full and final settlement, extinguishment, discharge and release of all Unsecured Senior Noteholder Claims. Each Unsecured Senior Noteholder as of the Effective Date shall receive its Pro Rata Share of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration (less any amounts withheld, paid or payable in respect of such Unsecured Senior Noteholder pursuant to Section 4.12) in accordance with terms set out in the Trust and Escrow Order and in a manner consistent with the procedures set out in the Unsecured Senior Note Indenture and such amount shall be, and shall be deemed to be, received by the Unsecured Senior Noteholders, as applicable.

(b) Pursuant to and in accordance with all of the sequential steps provided for in Section 5.2(b), the Unsecured Senior Noteholders shall cease to have any rights under the Unsecured Senior Notes, the Unsecured Senior Note Indenture and the Unsecured Senior Noteholder Claims formerly held by them, including to receive any payments of principal, interest, premiums, penalties and/or expenses under such Unsecured Senior Notes or Unsecured Senior Note Indentures, but rather the rights of the Unsecured Senior Noteholders shall be limited to receiving their Pro Rata Share of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration payable on the Effective Date (less any amounts withheld, paid or payable pursuant to Section 4.12).

4.8 Payment to the Unsecured Pari Passu Noteholders

(a) Upon the completion of all of the sequential steps provided for in Section 5.2(b), the Monitor shall as soon as reasonably practicable pay to each Unsecured Pari Passu Noteholder as of the Effective Date its Pro Rata Share of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration (less any amounts withheld, paid or payable in respect of such Unsecured Pari Passu Noteholder pursuant to Section 4.12) in full and final settlement, extinguishment, discharge and release of all Unsecured Pari Passu Noteholder Claims. Each Unsecured Pari Passu Noteholder as of the Effective Date shall receive its Pro Rata Share of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration (less any amounts withheld, paid or payable in respect of such Unsecured Pari Passu Noteholder pursuant to Section 4.12) in accordance with terms set out in the Trust and Escrow Order and such amount shall be, and shall be deemed to be, received by the Unsecured Pari Passu Noteholders, as applicable.

(b) Pursuant to and in accordance with all of the sequential steps provided for in Section 5.2(b), the Unsecured Pari Passu Noteholders shall cease to have any rights under the Unsecured Pari Passu Notes and the Unsecured Pari Passu Noteholder Claims formerly held by them, including to receive any payments of principal, interest, premiums, penalties and/or expenses under such Unsecured Pari Passu Notes or the Amended and Restated Commitment Agreement, but rather the rights of the Unsecured Pari Passu Noteholders shall be limited to receiving their Pro Rata Share of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration payable on the Effective Date (less any amounts withheld, paid or payable pursuant to Section 4.12).

4.9 Payment to Holders of Restructuring Claims

(a) Upon the completion of all of the sequential steps provided for in Section 5.2(b), the Monitor shall as soon as reasonably practicable pay to each Restructuring Claim Holder as of the Effective Date its Pro Rata Share of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration (less any amounts withheld, paid or payable in respect of such Restructuring Claim Holder pursuant to Section 4.12) in full and final settlement, extinguishment, discharge and release of all Restructuring Claims; provided that the compromise of any Restructuring Claim under this Plan shall be subject to the consent of the CRO and the Monitor. Each Restructuring Claim Holder as of the Effective Date shall receive its Pro Rata Share of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration (less any amounts withheld, paid or payable in respect of such Restructuring Claim Holder pursuant to Section 4.12) in accordance with terms set out in the Trust and Escrow Order and such amount shall be, and shall be deemed to be, received by the Restructuring Claim Holders, as applicable.

(b) Pursuant to and in accordance with all of the sequential steps provided for in Section 5.2(b), the Restructuring Claim Holders shall cease to have any rights in respect of the Restructuring Claims formerly held by them, including to receive any payments of principal, interest, premiums, penalties and/or expenses, as applicable, but rather the rights of the Restructuring Claim Holders shall be limited to receiving their Pro Rata Share of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration payable on the Effective Date (less any amounts withheld, paid or payable pursuant to Section 4.12).

4.10 Interest and Unclaimed Payments

(a) Before the Effective Time, monies held by the Monitor pursuant to this Plan shall be held in interest-bearing accounts, and any interest earned on such funds shall be for the account of the Purchaser.

(b) After the Effective Time, the First Lien Holdback Amount shall be held in interest bearing accounts, and any interest earned on such funds shall be applied first to the First Lien Note Holdback Payment Amount and second to the Released Payment Amount.

(c) After the Effective Time, the Working Capital Holdback Amount shall be held in interest bearing accounts, and any interest earned on such funds shall be applied to the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration.

(d) Any payment by the Monitor pursuant to this Plan that has not been deposited or accepted or has been returned to the Monitor or that otherwise remains unclaimed, in each case, on or before the end of the 365th day following the date of the issuance of such payment, and any right or Claim to payment hereunder that remains outstanding after the end of the 365th day following the date of the issuance of such payment shall cease to represent a right or Claim of any kind or nature and any such right or Claim to payment hereunder shall be forever discharged and barred, without any compensation therefor, notwithstanding any federal or provincial laws to the contrary, and the right of the holder to receive the consideration provided for pursuant to this Plan shall terminate and be deemed to be surrendered and forfeited to the Purchaser for no consideration.

4.11 Recognition of Assignments

(a) Assignment of Unsecured Senior Noteholder Claims Prior to the Meeting – Subject to the transfer restrictions contained in an applicable Support Agreement, an Unsecured Senior Noteholder may transfer or assign the whole or a part of its Unsecured Senior Noteholder Claim prior to the Meeting, provided that the Applicants shall not be obliged to deal with any such transferee or assignee as an Unsecured Senior Noteholder in respect thereof, including allowing such transferee or assignee to attend or vote at the Meeting, unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment, has been received by the Applicants by no later than 10:30 a.m. on the second Business Day before the Meeting (and any adjournment thereof). Thereafter, such transferee or assignee shall, for all purposes in accordance with this Plan, constitute an Unsecured Senior Noteholder and shall be bound by any and all notices previously given to the transferor or assignor in respect of such Unsecured Senior Noteholder Claim.

(b) Assignment of Unsecured Pari Passu Noteholder Claims prior to the Meeting – Subject to the transfer restrictions contained in an applicable Support Agreement or the Amended and Restated Commitment Agreement, an Unsecured Pari Passu Noteholder may transfer or assign the whole or a part of its Unsecured Pari Passu Noteholder Claim prior to the Meeting, provided that the Applicants shall not be obliged to deal with any such transferee or assignee as an Unsecured Pari Passu Noteholder in respect thereof, including allowing such transferee or assignee to attend or vote at the Meeting, unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment, has been received by the Applicants by no later than 10:30 a.m. on the second Business Day before the Meeting (and any adjournment thereof). Thereafter, such transferee or assignee shall, for all purposes in accordance with this Plan, constitute an Unsecured Pari Passu Noteholder and shall be bound by any and all notices previously given to the transferor or assignor in respect of such Unsecured Pari Passu Noteholder Claim.

(c) Assignment of Unsecured Subordinated Noteholder Claims prior to the Meeting – Subject to the transfer restrictions contained in an applicable Support Agreement or the Amended and Restated Commitment Agreement, an Unsecured Subordinated Noteholder may transfer or assign the whole or a part of its Unsecured Subordinated Noteholder Claim prior to the Meeting, provided that the Applicants shall not be obliged to deal with any such transferee or assignee as an Unsecured Subordinated Noteholder in respect thereof, including allowing such transferee or assignee to attend or vote at the Meeting, unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment, has been received by the Applicants by no later than 10:30 a.m. on the second Business Day before the Meeting (and any adjournment thereof). Thereafter, such transferee or assignee shall, for all purposes in accordance with this Plan, constitute an Unsecured Subordinated Noteholder and shall be bound by any and all notices previously given to the transferor or assignor in respect of such Unsecured Subordinated Noteholder Claim.

(d) Assignment of Restructuring Claims prior to the Meeting – A Restructuring Claim Holder may transfer or assign the whole or a part of its Restructuring Claim prior to the Meeting, provided that the Applicants shall not be obliged to deal with any such transferee or assignee as a Restructuring Claim Holder in respect thereof, including allowing such transferee or assignee to attend or vote at the Meeting, unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment, has been received by the Applicants by no later than 10:30 a.m. on the second Business Day before the Meeting (and any adjournment thereof). Thereafter, such transferee or assignee shall, for all purposes in accordance with this Plan, constitute a Restructuring Claim Holder and shall be bound by any and all notices previously given to the transferor or assignor in respect of such Restructuring Claim.

4.12 Trustee Claims, Unaffected Restructuring Claims and Mobilicity Transaction Fees, Withholding and Reporting Requirements

(a) The Trustee Claims, the Unaffected Restructuring Claims and the Mobilicity Transaction Fees shall be paid by the Monitor in accordance with the terms of the Trust and Escrow Order. For greater certainty, the Trustee Claims, the Unaffected Restructuring Claims and the Mobilicity Transaction Fees shall not be paid from the First Lien Holdback Amount.

(b) Each Person who makes a payment under this Plan (any such Person making a payment being a "**Payor**") to the Monitor, CDS, Second Lien Noteholders, DIP Lenders, the First Lien Note Indenture Trustee, the First Lien Noteholders, the Unsecured Senior Note Indenture Trustee, any Unsecured Senior Noteholder, any Unsecured Pari Passu Noteholder, any Restructuring Claim Holder, any beneficiary of any of the Charges or any Person on behalf of any of them (any such Person receiving a payment hereunder being a "**Recipient**") shall be entitled to deduct and withhold from such payment such amounts as the Payor is required to deduct and withhold with respect to such payment under the Canadian Tax Act, or any provision of federal, provincial, territorial, state, local or foreign tax law, in each case, as amended or succeeded.

(c) To the extent that amounts are withheld, deducted or paid over by a Payor to the applicable Government Authority from a payment payable to a Recipient hereunder, such withheld, deducted or paid amounts shall be treated for all purposes of this Plan as having been paid to such Recipient as the remainder of the payment in respect of which such withholding and deduction were made.

4.13 Application of Distributions

All amounts paid or payable hereunder on account of the First Lien Notes, the Charge Amounts, the Second Lien Notes, the DIP Notes, the Unsecured Senior Notes, the Unsecured Pari Passu Notes and the Restructuring Claims shall be applied as follows: (i) first, in respect of the outstanding principal amount due and owing in respect thereof; (ii) second, if such principal amounts have been fully repaid, to pay any accrued but unpaid interest due and owing in respect thereof; and (iii) third, if such principal and interest amounts have been fully repaid, in respect of any other amounts due in respect thereof.

4.14 Payment of Released Payment Amount

Within two (2) Business Days of the final transfer contemplated in Section 4.3(a)(ii) having been completed by the Monitor, the Monitor shall pay any Released Payment Amount to Wireless as a return of an overpayment made on account of the aggregate First Lien Note Holdback Payment Amounts; Wireless shall direct the Monitor to pay any Released Payment Amount on Wireless's behalf to Amalco as a demand non-interest bearing loan from Wireless to Amalco; Amalco shall direct the Monitor to pay the Released Payment Amount and the Monitor will directly transfer the Released Payment Amount on behalf of Amalco as follows:

(a) to the Unsecured Senior Note Indenture Trustee in an amount equal to the aggregate of all of the Unsecured Senior Noteholders' Pro Rata Share of the Released Payment Amount (less any amounts withheld, paid or payable pursuant to Section 4.12). Each Unsecured Senior Noteholder as of the Effective Date shall receive its Pro Rata Share of the Released Payment Amount (less any amounts withheld, paid or payable in respect of such Unsecured Senior Noteholder pursuant to Section 4.12) in accordance with terms set out in the Trust and Escrow Order and in a manner consistent with the procedures set out in the Unsecured Senior Note Indenture;

(b) to each Unsecured Pari Passu Noteholder as of the Effective Date in an amount equal to its Pro Rata Share of the Released Payment Amount (less any amounts withheld, paid or payable in respect of such Unsecured Pari Passu Noteholder pursuant to Section 4.12); and

(c) to each Restructuring Claim Holder as of the Effective Date in an amount equal to its Pro Rata Share of Released Payment Amount (less any amounts withheld, paid or payable in respect of such Restructuring Claim Holder pursuant to Section 4.12).

4.15 Payment of Positive Final Net Working Capital Adjustment

Within two (2) Business Days of receipt of any positive post-Effective Date Final Net Working Capital adjustment amount from the Purchaser pursuant to Section 4.2, the Monitor shall transfer any such amount as follows:

(a) to the Unsecured Senior Note Indenture Trustee in an amount equal to the aggregate of all of the Unsecured Senior Noteholders' Pro Rata Share of any such amount, and each Unsecured Senior Noteholder as of the Effective Date shall receive its Pro Rata Share of any such amount (less any amounts withheld, paid or payable in respect of such Unsecured Senior Noteholder pursuant to Section 4.12) in accordance with terms set out in the Trust and Escrow Order and in a manner consistent with the procedures set out in the Unsecured Senior Note Indenture;

(b) to each Unsecured Pari Passu Noteholder as of the Effective Date in an amount equal to its Pro Rata Share of any such amount (less any amounts withheld, paid or payable in respect of such Unsecured Pari Passu Noteholder pursuant to Section 4.12); and

(c) to each Restructuring Claim Holder as of the Effective Date in an amount equal to its Pro Rata Share of any such amount (less any amounts withheld, paid or payable in respect of such Restructuring Claim Holder pursuant to Section 4.12).

ARTICLE V – REORGANIZATION

5.1 Corporate Authorizations

The adoption, execution, delivery, implementation and consummation of all matters contemplated under this Plan involving corporate action of any of the Applicants will occur and be effective beginning on the Effective Date at the Effective Time in sequence as provided for in Section 5.2(b) (or at such other times, dates or manner as the Applicants, the Consenting Noteholders and the Purchaser may agree) and will be authorized and approved under this Plan and by the Court, where appropriate, as part of the Sanction Order, in all respects and for all purposes without any requirement of further action by shareholders, directors or officers of any of the Applicants. All necessary approvals to take actions shall be deemed to have been obtained from the directors or the shareholders of the Applicants, as applicable, including the deemed passing by any class of shareholders of any resolution or special resolution and no shareholders' agreement (including the Shareholders' Agreements) or agreement between a shareholder and another Person limiting in any way the right to vote shares held by such shareholder or shareholders with respect to any of the steps contemplated by this Plan shall be deemed to be effective and no such agreement shall have any force or effect.

5.2 Plan Implementation

(a) In accordance with the terms set out herein:

(i) the following documents shall be delivered in escrow in form and substance satisfactory to the Purchaser and pursuant to escrow arrangements reasonably satisfactory to the Purchaser and the Applicants:

(A) the Advance Amount Note;

(B) the Wireless Advance Amount Note; and

(C) the share certificates representing the New Common Shares;

(ii) (A) Holdings shall deposit any Mobilicity Cash with the Monitor, and if any portion of the Mobilicity Cash is held by Wireless, such amount shall be obtained by Holdings from Wireless as a non-interest bearing demand loan and (B) the Purchaser shall deposit the Purchase Price (as may be adjusted pursuant to Section 4.1) less the Working Capital Holdback Amount with the Monitor pursuant to Section 4.1(e) and the Monitor shall hold funds so deposited in trust for and on behalf of each of the payees as applicable from time to time pursuant to and in accordance with the sequential steps provided for in Section 5.2(b) and Article 4, and shall apply the funds so deposited pursuant to and in accordance with the sequential steps provided for in Section 5.2(b) and Article 4

(collectively, the "**Closing Deliveries**").

(b) Upon the completion of the Closing Deliveries and the fulfillment, satisfaction or waiver (in accordance with Section 7.4) of the conditions set out in Section 7.3, the following steps and releases to be taken and effected in the implementation of this Plan shall occur, and be deemed to have occurred and be taken and effected, beginning on the Effective Date at the Effective Time in sequence in the following order and at the times stipulated below (or at such other times, dates, manner, sequence or order as may be agreed to by the Applicants, the Consenting Noteholders and the Purchaser) with any rights of any Person set out therein only becoming exercisable at such times, without any further act or formality required on the part of any Person, except as may be expressly provided herein, which steps shall become effective in sequence in the following order and at the following times (or at such other times, dates, manner, sequence or order as may be agreed to by the Applicants, the Consenting Noteholders and the Purchaser) commencing upon the completion of the steps set out in Section 5.2(a):

(i) The Shareholders' Agreements, and any other shareholders' agreements with respect to any of the Applicants, shall be deemed to be terminated, and any Existing Share Options shall be deemed to be cancelled and extinguished and any related agreements (including, for greater certainty, any equity compensation plans) shall be terminated, all without any consideration;

(ii) Wireless shall transfer to Holdings, for cash consideration of $1.00 in the aggregate, all of the shares in the capital of 8440522;

(iii) Holdings and Wireless shall continue from the OBCA to the CBCA and Wireless shall be called "Mobilicity Wireless Inc.";

(iv) Holdings and 8440522 shall be amalgamated with the same effect as under section 184 of the CBCA to form an amalgamated corporation called "Mobilicity Holdings Inc." ("**Amalco**");

(v) The Purchaser shall loan an amount equal to the First Lien Note Payment Amount, the Charge Amounts, the Second Lien Note Amount, the DIP Note Amount and the First Lien Holdback Amount to Amalco (the "**Advance Amount Loan**"), which loan shall be evidenced by a non-interest-bearing promissory note (the "**Advance Amount Note**") issued by Amalco to the Purchaser and which shall be repayable in cash on demand;

(vi) Amalco shall transfer by way of loan to Wireless cash equal to the Advance Amount Loan (the "**Wireless Advance Amount**"), which loan shall be used by Wireless for the purpose of funding repayment of the First Lien Notes, the Charge Amounts, Second Lien Notes and DIP Notes as contemplated in Section 5.2(b)(vii), Section 5.2(b)(viii), Section 5.2(b)(ix) and Section 5.2(b)(x), and which loan shall be evidenced by a grid promissory note (the "**Wireless Advance Amount Note**") issued by Wireless to Amalco and which shall be repayable in cash and bear no interest;

(vii) The First Lien Notes shall be deemed to be finally and fully settled, extinguished and released and all security granted in favour of the First Lien Noteholders and the First Lien Indenture Trustee as security for the obligations owed to them under the First Lien Notes and the First Lien Note Indenture shall be deemed to be finally and irrevocably satisfied, released and discharged without any further act or formality in exchange for:

(A) the payment of the First Lien Note Payment Amount and the payment into the Holdback Escrow of the First Lien Holdback Amount, and:

(I) the Monitor shall cease to hold a portion of the Wireless Advance Amount equal to the First Lien Note Payment Amount in trust for and on behalf of Wireless and shall hold, and be deemed to be holding, that portion of the Wireless Advance Amounts equal to the First Lien Note Payment Amount in trust for and on behalf of the First Lien Note Indenture Trustee for distribution to the First Lien Noteholders as contemplated in Section 4.3(a)(i),

(II) upon the Monitor being deemed to hold that portion of the Wireless Advance Amount equal to the First Lien Note Payment Amount in trust for and on behalf of the First Lien Note Indenture Trustee for distribution to the First Lien Noteholders, that portion of the Wireless Advance Amounts equal to the First Lien Note Payment Amount shall be deemed to be applied to the First Lien Note Payment Amount and the First Lien Note Payment Amount shall be deemed to have been paid in full by Wireless to the First Lien Noteholders, and

(III) the Monitor shall hold, and be deemed to be holding, that portion of the Wireless Advance Amount equal to the First Lien Holdback Amount in trust for and on behalf of Wireless for distribution, if applicable and as the case may be, (i) to the First Lien Note Indenture Trustee for distribution to a First Lien Noteholder as its applicable First Lien Note Holdback Payment Amount in accordance with Section 4.3(a)(ii) and (ii) to Wireless for distribution in accordance with Section 5.2(b)(x)(B);

(B) each First Lien Noteholder shall cease to be a holder of First Lien Notes, and shall cease to have any rights under the First Lien Notes and the First Lien Note Indenture other than the right to be paid its Pro Rata Share of its First Lien Note Payment Amount and its First Lien Note Holdback Payment Amount, in accordance with this Plan;

(C) upon the Monitor being deemed to hold that portion of the Wireless Advance Amount equal to the First Lien Note Payment Amount and the aggregate First Lien Note Holdback Payment Amount in trust for and on behalf of the First Lien Note Indenture Trustee for distribution to the First Lien Noteholders, all security interests granted by Wireless, any of the other Applicants or any of their respective predecessors or successors pursuant to or in connection with the First Lien Notes and First Lien Note Indenture shall be, and shall be deemed to be, irrevocably satisfied, discharged and released without the need for any further action by any First Lien Noteholder, the First Lien Note Indenture Trustee or any other Person;

(viii) The Charge Amounts shall be deemed to be finally and fully paid, settled, extinguished and released and the Charges shall be deemed to be finally and irrevocably satisfied, released and discharged without any further act or formality in exchange for the payment of the Charge Amounts, and:

(A) the Monitor shall cease to hold a portion of the Wireless Advance Amount equal to the Charge Amounts in trust for and on behalf of Wireless and shall hold, and be deemed to be holding that portion of the Wireless Advance Amount equal to the Charge Amounts in trust for and on behalf of the beneficiaries of the applicable Charges for distribution to such Persons as contemplated in Section 4.4;

(B) upon the Monitor being deemed to hold that portion of the Wireless Advance Amount equal to the Charge Amounts in trust for the beneficiaries of the applicable Charges, that portion of the Wireless Advance Amount equal to the Charge Amounts shall be deemed to be applied to the Charge Amounts and the Charge Amounts shall be deemed to have been paid in full by Wireless to the beneficiaries of the applicable Charges;

(C) upon the Monitor being deemed to hold that portion of the Wireless Advance Amount equal to the Charge Amounts in trust for the beneficiaries of the applicable Charges, the Charges shall be, and shall be deemed to be, irrevocably satisfied, discharged and released without the need for any further action by any Person;

(ix) The Second Lien Notes shall be deemed to be finally and fully paid, settled, extinguished and released and all security granted in favour of the Second Lien Noteholders and the collateral agent under the Second Lien Note Purchase Agreement as security for the obligations owed to them under the Second Lien Notes shall be deemed to be finally and irrevocably satisfied, released and discharged without any further act or formality in exchange for the payment of the Second Lien Note Amount, and:

(A) the Monitor shall cease to hold a portion of the Wireless Advance Amount equal to the Second Lien Note Amount in trust for and on behalf of Wireless and shall hold, and be deemed to be holding that portion of the Wireless Advance Amount equal to the Second Lien Note Amount in trust for and on behalf of the Second Lien Noteholders for distribution to the Second Lien Noteholders as contemplated in Section 4.5;

(B) upon the Monitor being deemed to hold that portion of the Wireless Advance Amount equal to the Second Lien Note Amount in trust for the Second Lien Noteholders, that portion of the Wireless Advance Amount equal to the Second Lien Note Amount shall be deemed to be applied to the Second Lien Note Amount and the Second Lien Note Amount shall be deemed to have been paid in full by Wireless to the Second Lien Noteholders;

(C) such Second Lien Noteholders shall cease to be holders of the Second Lien Notes and shall cease to have any rights under the Second Lien Notes or the Second Lien Note Purchase Agreement other than the right to be paid their Pro Rata Share of the Second Lien Note Amount in accordance with this Plan;

(D) upon the Monitor being deemed to hold that portion of the Wireless Advance Amount equal to the Second Lien Note Amount in trust for the Second Lien Noteholders, all security interests granted by Wireless, any of the other Applicants or any of their respective predecessors and successors pursuant to or in connection with the Second Lien Notes and Second Lien Note Purchase Agreement shall be, and shall be deemed to be, irrevocably satisfied, discharged and released without the need for any further action by any Second Lien Noteholder or any other Person;

(x) The DIP Notes shall be deemed to be finally and fully paid, settled, extinguished and released and all security granted in favour of the DIP Lenders and the collateral agent under the DIP Agreement as security for the obligations owed to them under the DIP Notes shall be deemed to be finally and irrevocably satisfied, released and discharged without any further act or formality in exchange for the payment of the DIP Note Amount, and:

(A) the Monitor shall cease to hold a portion of the Wireless Advance Amount equal to the DIP Note Amount in trust for and on behalf of Wireless and shall hold, and be deemed to be holding that portion of the Wireless Advance Amount equal to the DIP Note Amount in trust for and on behalf of the DIP Lenders for distribution to the DIP Lenders as contemplated in Section 4.6;

(B) upon the Monitor being deemed to hold that portion of the Wireless Advance Amount equal to the DIP Note Amount in trust for the DIP Lenders, that portion of the Wireless Advance Amount equal to the DIP Note Amount shall be deemed to be applied to the DIP Note Amount and the DIP Note Amount shall be deemed to have been paid in full by Wireless to the DIP Lenders;

(C) such DIP Lenders shall cease to be holders of the DIP Notes and shall cease to have any rights under the DIP Notes or the DIP Agreement other than the right to be paid their Pro Rata Share of the DIP Note Amount in accordance with this Plan;

(D) upon the Monitor being deemed to hold that portion of the Wireless Advance Amount equal to the DIP Note Amount in trust for the DIP Lenders, all security interests granted by Wireless, any of the other Applicants or any of their respective predecessors and successors pursuant to or in connection with the DIP Notes and DIP Agreement shall be, and shall be deemed to be, irrevocably satisfied, discharged and released without the need for any further action by any DIP Lender or any other Person;

(xi) Wireless shall make a demand non-interest bearing loan to Amalco in an amount equal to any amount received by Wireless on account of the Released Payment Amount, such loan to be made immediately upon receipt of any such amount and to be evidenced by a promissory note;

(xii) The Existing Shares shall be deemed to be surrendered for cancellation and shall be deemed to be cancelled without compensation, such deemed cancellation being deemed to have occurred immediately prior to the effectiveness of the amendment in Section 5.2(b)(xiii);

(xiii) Amalco's articles (A) shall be deemed to be amended under the CBCA to create a new class of authorized common shares (the "**New Common Shares**") and (B) to give effect to Section 5.2(b)(xii) above, shall be deemed to be amended under the CBCA to cancel the Existing Shares;

(xiv) The Purchaser (A) shall become entitled to and shall subscribe for 100 New Common Shares in the capital of Amalco for aggregate consideration equal to \$1.00; and (B) shall pay \$1.00 in satisfaction for the subscription price. Such shares shall be deemed to be validly issued and outstanding as fully paid and non-assessable. For greater certainty, \$1.00 shall be added to the stated capital account maintained in respect of New Common Shares in the capital of Amalco;

(xv) The Directors shall be deemed to have resigned and the New Board shall be deemed to have been elected;

(xvi) The Purchaser shall make a contribution of capital to Amalco in respect of New Common Shares in an amount equal to Purchase Price (as adjusted pursuant to Section 4.1(b) less the amount of the Advance Amount Loan to Amalco and less \$1.00, such amount contributed by the Purchaser pursuant to this contribution of capital shall be paid by the Purchaser in cash (such cash consideration the "**Funding Amount**"). For greater certainty, the Funding Amount shall be added to the stated capital account maintained in respect of New Common Shares in the capital of Amalco;

(xvi.) The Monitor shall hold that portion of the Funding Amount and the amount it holds pursuant to Section 5.2(a)(ii) representing the Trustee Claims, the Unaffected Restructuring Claims and the Mobilicity Transaction Fees in trust for and on behalf of such persons as directed by the Applicants for distribution as contemplated in Section 4.12(a);

(xvii) The Unsecured Senior Notes, Unsecured Senior Noteholder Claims, Unsecured Pari Passu Notes, Unsecured Pari Passu Noteholder Claims and Restructuring Claims shall be deemed to be finally and fully settled and extinguished without any further act or formality in exchange for payment of cash equal to the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration, which payment shall occur as follows:

(A) the Monitor shall cease to hold the remaining Funding Amount and the remaining amount it holds pursuant to Section 5.2(a)(ii), representing the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration, in trust for and on behalf of Amalco and shall hold, and be deemed to be holding, the Funding Amount in trust for and on behalf of (1) the Unsecured Senior Note Indenture Trustee for distribution to the Unsecured Senior Noteholders and the Unsecured Pari Passu Noteholders as contemplated in Section 4.7 and Section 4.8 and (2) the Restucturing Claim Holders for distribution as contemplated in Section 4.9;

(B) upon the Monitor being deemed to hold the Funding Amount and the amount it holds pursuant to Section 5.2(a)(ii) in trust for and on behalf of (1) the Unsecured Senior Note Indenture Trustee for distribution to the Unsecured Senior Noteholders and the Unsecured Pari Passu Noteholders and (2) the Restucturing Claim Holders, the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration shall be deemed to have been paid in full by Amalco to the Unsecured Senior Noteholders, the Unsecured Pari Passu Noteholders and the Restucturing Claim Holders;

(C) (1) such Unsecured Senior Noteholders and Unsecured Pari Passu Noteholders shall cease to be holders of the Unsecured Senior Notes and Unsecured Pari Passu Notes and shall cease to have any rights under the Unsecured Pari Passu Notes, the Unsecured Senior Notes, the Amended and Restated Commitment Agreement and the Unsecured Note Indenture, respectively, and (2) such Restucturing Claim Holders shall cease to be holders of the Restucturing Claims other than the right to be paid their Pro Rata Share of the Unsecured Senior Noteholder/Unsecured Pari Passu Noteholder/Restructuring Claim Holder Payment Consideration in accordance with this Plan,

provided that the compromise of any Restructuring Claim under this Plan shall be subject to the consent of the CRO and the Monitor;

(xviii) The Unsecured Subordinated Notes shall be deemed to be cancelled and extinguished, without any further act or formality, all without any consideration;

(xix) (A) The Purchaser shall become entitled to and shall subscribe for 255 additional New Common Shares in the capital of Amalco for an amount equal to the amount of the Advance Amount Loan; (B) the amount owing by the Purchaser pursuant to this share subscription shall be paid by the Purchaser by way of setting off and discharging the amount owed by Amalco to the Purchaser under the Advance Amount Note and the Advance Amount Loan to Amalco shall thereby be settled and extinguished; (C) Amalco shall issue the New Common Shares as fully paid and non-assessable; and (D) there shall be added to the stated capital account maintained in respect of the New Common Shares an amount equal to the Advance Amount Loan;

(xx) The Purchaser shall assume all applicable claims under sections 6(3) and 6(5) of the CCAA; and

(xxi) The releases referred to in Sections 6.1 and 6.2 shall become effective.

(c) Upon completion of the steps set out in Section 5.2(b), Amalco shall file with the director under the CBCA Articles of Arrangement under section 192 of the CBCA in respect of this Plan, in form and substance satisfactory to the Applicants and the Purchaser.

ARTICLE VI – RELEASES

6.1 Release of Mobilicity Released Parties and the Purchaser Released Parties

At the Effective Time, each of the Mobilicity Released Parties and the Purchaser Released Parties shall be released and discharged from any and all demands, claims, liabilities, indebtedness, obligations, causes of action, debts, accounts, covenants, damages, executions and other recoveries of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, whether at law or in equity, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, any legal, statutory, equitable or fiduciary duty) or by reason of any equity interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and together with any security enforcement costs or legal costs associated with any such claim, and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, warranty, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, or any right or ability of any Person to advance a claim for an accounting, reconciliation, contribution, indemnity, restitution or otherwise with respect to any matter, grievance, action (including any class action or proceeding before an administrative tribunal), cause or chose in action, whether existing at present or commenced in the future, including without limiting the generality of the foregoing, any security interest, charge, mortgage or other encumbrance in connection with any of the foregoing, of any Person based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Effective Time, including, all Claims (collectively, "**Released Claims**") and relating to, arising out of, or in connection with the Advance Amount Note, the Advance Amount Loan, the Unsecured Senior Note Indenture, Unsecured Senior Notes, First Lien Note Indenture, the First Lien Notes, the Second Lien Note Purchase Agreement, the Second Lien Notes, the DIP Agreement, the DIP Notes, the Amended and Restated Commitment Agreement, the Unsecured Pari Passu Notes, the Unsecured Subordinated Notes, the Existing Shares and Existing Share Options, any Support Agreement, the Transaction, this Plan, the transactions contemplated hereunder and any proceedings commenced with respect to or in connection with this Plan; provided that nothing in this paragraph shall release or discharge (a) the rights of the First Lien Noteholders as set out in Section 6.4 herein or (b) any of the Mobilicity Released Parties from or in respect of its obligations under this Plan, any Support Agreement, or under any Order or any of its debt obligations which shall remain outstanding and in effect after the Effective Time.

6.2 Release of Securityholders' Released Parties

At the Effective Time, each of the Securityholders' Released Parties shall be released and discharged from any and all Released Claims of any Person relating to, arising out of, or in connection with the Unsecured Senior Note Indenture, Unsecured Senior Notes, First Lien Note Indenture, the First Lien Notes, the Second Lien Note Purchase Agreement, the Second Lien Notes, the DIP Agreement, the DIP Notes, the Amended and Restated Commitment Agreement, the Unsecured Pari Passu Notes, the Unsecured Subordinated Notes, the Existing Shares and Existing Options, any Support Agreement, the Transaction, this Plan, the transactions contemplated hereunder and any proceedings commenced with respect to or in connection with this Plan; provided that nothing in this paragraph shall release or discharge (a) the rights of the First Lien Noteholders as set out in Section 6.4 or (b) any of the Securityholders' Released Parties from or in respect of its obligations under this Plan, any Support Agreement, or under any Order, as the case may be.

6.3 Injunctions

All Persons are permanently and forever barred, estopped, stayed and enjoined, on and after the Effective Time, with respect to any and all Released Claims, from (i) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against the Released Parties; (ii) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against the Released Parties or their property; (iii) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits or demands, including without limitation, by way of contribution or indemnity or other relief, in common law, or in equity, breach of trust or breach of fiduciary duty or under the provisions of any statute or regulation, or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against any Person who makes such a claim or might reasonably be expected to make such a claim, in any manner or forum, against one or more of the Released Parties; (iv) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrance of any kind against the Released Parties or their property; or (v) taking any actions to interfere with the implementation or consummation of this Plan; provided, however, that the foregoing shall not apply to (a) the enforcement of any obligations under the Plan or (b) the rights of the First Lien Noteholders as set out in Section 6.4.

6.4 Reservation Regarding First Lien Noteholder Claims to Obligations

Notwithstanding any other provision of this Plan, nothing in this Plan or in any approval thereof shall in any way adversely affect the ability of a First Lien Noteholder to assert against the First Lien Holdback Amount:

(a) any First Lien Noteholder's right to claim any form of Obligation owed under the terms of the First Lien Note Indenture, as the same is in effect on the date hereof;

(b) any First Lien Noteholders' right to claim compensation for the loss of any Obligation owed under the terms of the First Lien Note Indenture, as the same is in effect on the date hereof, including without limitation, based upon or resulting from:

(i) any breach of the terms of the First Lien Note Indenture, as the same is in effect on the date hereof;

(ii) any breach of duty (including, without limitation, breach of fiduciary duty) by any Person in respect of any Obligation owed under the terms of the First Lien Note Indenture, as the same is in effect on the date hereof;

(iii) any oppressive conduct by any Person in respect of any Obligation owed under the terms of the First Lien Note Indenture, as the same is in effect on the date hereof; or

(iv) any other or related similar claims in respect of any Obligation owed under the terms of the First Lien Note Indenture, as the same is in effect on the date hereof,

provided that in each such case of (a) and (b) above, any recovery in respect of any and all such claims shall be only in respect of claims existing prior to the Effective Date and (x) asserted solely against the First Lien Holdback Amount and (y) limited in recourse to the First Lien Holdback Amount and to each First Lien Noteholder's Pro Rata Share of the First Lien Holdback Amount;

(c) any First Lien Noteholders' right to reimbursement of costs incurred by the First Lien Noteholder in pursuing any such claims in the event that such costs are reimbursable under the terms of the First Lien Note Indenture, as the same is in effect on the date hereof, or are ordered by the Court, provided that any reimbursement of such costs shall be limited in recourse to the First Lien Holdback Amount;

(d) any procedural rights which a First Lien Noteholder had or would have had in connection with the adjudication of any such claims, including any and all rights of production and discovery that a First Lien Noteholder would otherwise have against any Person shall be preserved;

(e) the right of any party to seek further directions from the Court regarding the determination of any such claims.

For greater certainty, any reference to "Person" in this Section 6.4 shall not include the Purchaser Released Parties.

ARTICLE VII – SANCTION ORDER, CONDITIONS PRECEDENT AND IMPLEMENTATION

7.1 Application for Sanction Order

If this Plan is approved by the Required Majority at the Meeting, the Applicants shall apply for the Sanction Order on the date set for the hearing for the Sanction Order or such later date as the Court may set.

7.2 Sanction Order

The Sanction Order will have effect from and after the Effective Time and shall, among other things:

(a) declare that appropriate notice in respect of the Meeting was provided in all respects and confirm that the Meeting has been duly called and held in accordance with the Meeting Order, the Plan and any further Order in the CCAA Proceeding;

(b) declare that (i) the Plan has been approved by the Required Majority in conformity with the CCAA; (ii) the Court is satisfied that the Applicants have complied with the provisions of the CCAA and all Orders in the CCAA Proceeding in all respects; (iii) the Court is satisfied that the Applicants have not done or purported to do anything that is not authorized by the CCAA; and (iv) the Plan is fair and reasonable;

(c) declare that as of the Effective Time, the Plan and all associated steps, compromises, transactions, arrangements, assignments, extinguishments, discharges, releases and the recapitalization and reorganization effected thereby are approved, binding and effective as herein set out upon the Applicants, all Affected Unsecured Creditors, the First Lien Noteholders, the Second Lien Noteholders, the DIP Lenders and all other Persons affected by the Plan;

(d) declare that the steps to be taken, the compromises, transactions, arrangements, assignments, extinguishments, discharges and releases to be effected on the Effective Date are deemed to occur and be effected in the sequential order and at the times contemplated by Section 5.2(b) of the Plan on the Effective Date, beginning at the Effective Time;

(e) declare that each of the Charges shall be terminated, discharged and released;

(f) compromise, discharge and release the Applicants from any and all Affected Claims of any nature in accordance with the Plan, and declare that the ability of any Person to proceed against the Applicants in respect of or relating to any Affected Claims shall be forever discharged and restrained, and all proceedings with respect to, in connection with or relating to such Affected Claims be permanently stayed, subject only to the right of Affected Creditors to receive the payments or distributions pursuant to the Plan in respect of their Affected Claims;

(g) declare that, subject to the performance by the Applicants of their obligations under the Plan, all obligations, agreements or leases to which any of the Applicants are a party shall be and remain in full force and effect, unamended, as at the Effective Date, unless disclaimed or resiliated or deemed to be disclaimed or resiliated by any of the Applicants pursuant to the Initial Order, and no party to any such obligation or agreement shall on or following the Effective Date, accelerate, terminate, refuse to renew, rescind, refuse to perform or otherwise disclaim or resiliate obligations thereunder, or enforce or exercise (or purport to enforce or exercise) any right or remedy under or in respect of any such obligation or agreement, by reason:

  (i) of any event which occurred prior to, and not continuing after, the Effective Date, or which is or continues to be suspended or waived under the Plan, which would have entitled any other party thereto to enforce those rights or remedies;

  (ii) that the Applicants have sought or obtained relief or have taken steps as part of the Plan or under the CCAA;

(iii) of any default or event of default arising as a result of the financial condition or insolvency of any of the Applicants;

(iv) of the effect upon the Applicants of the completion of any of the transactions contemplated under the Plan;

(v) of any compromises, settlements; restructurings, recapitalizations or reorganizations effected pursuant to the Plan; or

(vi) of the assignment of any obligations, agreements, or other arrangements under the CCAA Proceeding;

(h) declare that any federal or provincial Law relating to preferences, fraudulent conveyances or transfers at undervalue, shall not apply to the Plan or to any payments or distributions made in connection with the recapitalization or reorganization of the Applicants, whether before or after the date of the Initial Order, including to any and all of the payments, distributions or transactions contemplated by and to be implemented pursuant to the Plan;

(i) confirm the releases contemplated in the Plan, including those set out in Sections 6.1 and 6.2 of the Plan;

(j) stay the commencing, taking, applying for, issuing or continuing any and all steps or proceedings, including, without limitation, administrative hearings and orders, declarations or assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against any of the Released Parties in respect of any matter released pursuant to the Plan, including those set out in Sections 6.1 and 6.2 of the Plan;

(k) authorize the Monitor, any of the Applicants and the Purchaser to apply to the Court for advice and direction in respect of any matter arising from or under the Plan and/or the Trust and Escrow Order;

(l) declare that the adoption, execution, delivery, implementation and consummation of all matters contemplated under the Plan involving corporate action of any of the Applicants has been authorized and approved in all respects and for all purposes without any requirement of further action by shareholders, directors or officers of any of the Applicants; and

(m) declare that all necessary approvals to take actions have been obtained from the directors or the shareholders of the Applicants, as applicable, including the deemed passing by any class of shareholders of any resolution or special resolution and no shareholders' agreement (including the Shareholders' Agreements) or agreement between a shareholder and another Person limiting in any way the right to vote shares held by such shareholder or shareholders with respect to any of the steps contemplated by this Plan shall be deemed to be effective and no such agreement shall have any force or effect.

7.3 Conditions to Plan Implementation

The implementation of this Plan shall be conditional upon the fulfillment, satisfaction or waiver (to the extent permitted by Section 7.4) of the following conditions:

(a) the amount of any Restructuring Claims shall be acceptable to the Consenting Noteholders, acting reasonably, or as determined by the Court;

(b) the Court shall have granted the Sanction Order, the operation and effect of which shall not have been appealed, stayed, reversed or amended, and in the event of an appeal or amendment, then such appeal shall be withdrawn, denied or dismissed with prejudice, the Sanction Order shall have been affirmed by the applicable appellate court without amendment or, if the Sanction Order is amended, such amendment shall be in form and substance satisfactory to the Purchaser and the Consenting Noteholders, each acting reasonably;

(c) all disclosure documents on or after the date of the Support Agreements, court materials, Orders and definitive agreements in respect of the Transaction shall be in a form agreed to in advance by the Purchaser and the Consenting Noteholders, each acting reasonably;

(d) any amendments to the structure of the Transaction and the steps required to complete the Transaction from that which is provided in the Plan and the Support Agreements shall be in form and in substance satisfactory to the Purchaser and the Consenting Noteholders, each acting reasonably;

(e) (i) the Plan, the Sanction Order, all other orders and all materials filed by, in respect of or on behalf of the Applicants from and after the date of the Support Agreements with respect to the Transaction shall be in a form agreed to in advance by the Purchaser and the Consenting Noteholders, each acting reasonably, when filed, and with respect to any and all Orders, shall have been entered in form and substance acceptable to the Purchaser and the Consenting Noteholders, each acting reasonably, (ii) the Plan shall have been approved by the Required Majority, in form and substance satisfactory to the Purchaser and the Consenting Noteholders, each acting reasonably, as and to the extent required by the Court in the Meeting Order, the Sanction Order or otherwise, and (iii) the Plan shall have been approved by the Court, in form and substance satisfactory to the Purchaser and the Consenting Noteholders, each acting reasonably, and the Sanction Order and all other orders granted by the Court from and after the date of the Support Agreements, which shall also be in form and substance satisfactory to the Purchaser and the Consenting Noteholders, each acting reasonably, shall be in full force and effect, final and binding;

(f) there shall not exist or have occurred any Orders or other matters in the CCAA Proceeding relating to the Transaction which would have a material adverse effect on the Transaction or cause a Material Adverse Effect on the Applicants;

(g) there shall not be in effect any final decision, order or decree by a Governmental Authority, no application, action or proceeding shall have been made to any Governmental Authority, and no action or investigation shall have been announced, threatened or commenced by any Governmental Authority, in consequence of or in connection with the Transaction that restrains, impedes or prohibits (or if granted could reasonably be expected to restrain, impede or prohibit), the Transaction or any part thereof or requires or purports to require a material variation of the Transaction;

(h) the representations and warranties of each of the parties to the Support Agreements set forth in the Support Agreements shall be true and correct in all material respects at the Effective Time with the same force and effect as if made at and as of such time, except as such representations and warranties may be affected by the occurrence of events or transactions contemplated and permitted by such Support Agreements, and except that representations and warranties that are given as of a specified date shall be true and correct in all material respects as of such date, except where the failure of such representations and warranties to be so true and correct, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect;

(i) each of the parties to the Support Agreements shall have complied in all material respects with each of the covenants in the Support Agreements that is to be performed on or before the Effective Time, except where the failure to comply would not result in a Material Adverse Effect;

(j) all conditions precedent set out in the Support Agreements shall have been satisfied or waived subject to Section 7.4;

(k) the Applicants shall have delivered the Estimated Net Working Capital Statement;

(l) the new (or amended) articles, by-laws and other constating documents of Holdings, any of the other Applicants or Amalco, as applicable, in connection with the Plan and all definitive legal documents in connection therewith shall be in form and substance satisfactory to the Purchaser, acting reasonably;

(m) Amalco or Holdings shall, at the Effective Time, own substantially all of the assets that Holdings owns directly or indirectly as of the date of the Support Agreements;

(n) the Applicants shall have taken all necessary or desirable corporate actions and proceedings to be taken prior to the Effective Time in connection with the Plan;

(o) all filings under applicable Laws shall have been made and any material regulatory or judicial consents or approvals that are required in connection with the Transaction or the Plan, including the Key Consents, shall have been obtained on terms acceptable to the Purchaser and the Consenting Noteholders, each acting reasonably;

(p) no applicable Law shall have been passed and become effective, the effect of which makes the consummation of this Plan illegal or otherwise prohibited;

(q) the Closing Deliverables shall have been shall executed and delivered in accordance with Section 5.2(a);

(r) all documents necessary to give effect to all material provisions of this Plan (including the Sanction Order) shall have been executed and/or delivered by all relevant Persons in form and substance satisfactory to the Purchaser, the Applicants and the Consenting Noteholders, each acting reasonably;

(s) all conditions precedent to the completion of the transaction contemplated herein shall have been satisfied or waived in accordance with Section 7.4 or the terms of the Support Agreements;

(t) the Purchaser shall have funded payment of all severance, termination or other similar or related costs in respect of any employees of the Applicants who will not be employed by the Purchaser after the Effective Date; and

(u) immediately prior to the Effective Date, the Applicants shall deliver notices of termination in respect of the contracts listed in the Contracts Schedule pursuant to and in accordance with the terms of such contracts, which termination shall be effective after the Effective Date.

7.4 Waiver of Conditions

The Applicants, the Consenting Noteholders and the Purchaser may at any time and from time to time waive the fulfillment or satisfaction, in whole or in part, of the conditions set out herein, to the extent and on such terms as such parties may agree to in writing, except that conditions set out in Sections 7.3(k), 7.3(l), 7.3(m), 7.3(n) and 7.3(o) which may only be waived by the Purchaser, in its sole and absolute discretion.

7.5 Implementation Provisions

If the conditions contained in Section 7.3 are not satisfied or waived (to the extent permitted under Section 7.4) by the Outside Date, unless the Consenting Noteholders and the Purchaser agree in writing to extend such period, this Plan shall cease to have any further force or effect and will not be binding on any Person.

7.6 Monitor's Certificate of Implementation

Upon delivery of written notice from the Applicants, the Purchaser and Goodmans (on behalf of the Consenting Noteholders) of the satisfaction of the conditions set out in Section 7.3, the Monitor shall deliver to the Applicants, the Purchaser and Goodmans a certificate stating that the Effective Date has occurred and that the Plan and the Sanction Order are effective in accordance with their respective terms. Following the Effective Date, the Monitor shall file such certificate with the Court.

ARTICLE VIII – GENERAL

8.1 Binding Effect

At the Effective Time:

(a) this Plan will become effective;

(b) the treatment of First Lien Noteholders, beneficiaries of the Charges, Second Lien Noteholders, DIP Lenders, Unsecured Senior Noteholders, Unsecured Pari Passu Noteholders, Restructuring Claim Holders, Unsecured Subordinated Noteholders and Existing Equity Holders under this Plan shall be final and binding for all purposes and enure to the benefit of the Purchaser, the Applicants, all Unsecured Senior Noteholders, all Unsecured Pari Passu Noteholders, the Restructuring Claim Holders, all Unsecured Subordinated Noteholders, the First Lien Noteholders, the beneficiaries of the Charges, the Second Lien Noteholders, DIP Lenders, all Existing Equity Holders, all Released Parties and all other Persons named or referred to in, or subject to, this Plan and their respective heirs, executors, administrators and other legal representatives, successors and assigns;

(c) each First Lien Noteholder, beneficiary of the Charges, Second Lien Noteholder, DIP Lender, Unsecured Senior Noteholder, Unsecured Pari Passu Noteholder, Restructuring Claim Holder, Unsecured Subordinated Noteholder and Existing Equity Holder shall be deemed to have consented and agreed to all of the provisions of this Plan in its entirety;

(d) each First Lien Noteholder, beneficiary of the Charges, Second Lien Noteholder, DIP Lender, Unsecured Senior Noteholder, Unsecured Pari Passu Noteholder, Restructuring Claim Holder, Unsecured Subordinated Noteholder and Existing Equity Holder shall be deemed to have executed and delivered to the Purchaser, the Applicants and the Purchaser, all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Plan in its entirety;

(e) all Affected Claims shall be forever discharged, extinguished and released, excepting only the obligations to make distributions in respect of the Affected Claims in the manner and to the extent provided by the Plan;

(f) all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Plan in its entirety shall be deemed to have been executed and delivered to the Applicants and the Purchaser; and

(g) the settlements, extinguishments, releases and discharges of Claims of Unaffected Creditors provided for in this Plan, including in respect of the First Lien Noteholders and the First Lien Note Indenture Trustee, the beneficiaries of the Charges, the Second Lien Noteholders and the collateral agent under the Second Lien Note Purchase Agreement, and the DIP Lenders and the collateral agent under the DIP Agreement shall apply to and be binding on such Unaffected Creditors on the terms and conditions set out in this Plan and the Sanction Order.

8.2 Waiver of Defaults

Subject to Section 6.4, from and after the Effective Time, all Persons shall be deemed to have waived any and all defaults or events of default of the Applicants (including their respective predecessors or successors) then existing or previously committed by any of them, or caused by any of them, any of the provisions in this Plan or steps contemplated in this Plan, or non-compliance with any covenant, warranty, representation, term, provision, condition or obligation, expressed or implied, in any contract, instrument, credit document, indenture, note, lease, licence, guarantee, agreement for sale or other agreement, written or oral in each case relating to, arising out of, or in connection with any Support Agreement, the Transaction, this Plan, the transactions contemplated hereunder and any proceedings commenced with respect to or in connection with this Plan, and any and all amendments or supplements thereto and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under any of the foregoing shall be deemed to have been rescinded and of no further force or effect, provided that nothing shall be deemed to excuse any of the Applicants or their respective predecessors and successors from performing its obligations under this Plan or be a waiver of defaults by any of the Applicants under this Plan and the related documents.

8.3 Deeming Provisions

In this Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

8.4 Non-Consummation

If the Effective Date does not occur within the period provided for in Section 7.5 hereof, (a) this Plan shall be null and void in all respects, and (b) nothing contained in this Plan, and no acts taken in preparation for consummation of this Plan, shall (i) constitute or be deemed to constitute a waiver or release of any claims by or against any of the Applicants or any other Person (including their respective predecessors or successors); (ii) prejudice in any manner the rights of any of the Applicants or any other Person (including their respective predecessors or successors) in any further proceedings involving the Applicants (or their respective predecessors or successors); or (iii) constitute an admission of any sort by any of the Applicants or any other Person (including their respective predecessors or successors).

8.5 Modification of Plan

(a) Subject to the prior consent of the Purchaser and the Consenting Noteholders, to the extent the amendment, restatement, modification or supplement described hereinafter may affect the Affected Unsecured Creditors, First Lien Noteholders, Second Lien Noteholders or DIP Lenders, each acting reasonably, the Applicants reserve the right, at any time and from time to time, to amend, restate, modify and/or supplement this Plan, provided that any such amendment, restatement, modification or supplement must be contained in a written document and (i) if made prior to or at the Meeting: (A) the Monitor, the Applicants or the Chair (as defined in the Meeting Order) shall communicate the details of any such amendment, restatement, modification and/or supplement to Affected Unsecured Creditors and other Persons present at the Meeting prior to any vote being taken at the Meeting; (B) the Applicants shall provide notice to the service list of any such amendment, restatement, modification and/or supplement and shall file a copy thereof with the Court forthwith and in any event prior to the Court hearing in respect of the Sanction Order; and (C) the Monitor shall post an electronic copy of such amendment, restatement, modification and/or supplement on the Monitor's Website (as defined in the Meeting Order) forthwith and in any event prior to the Court hearing in respect of the Sanction Order; and (ii) if made following the Meeting: (A) the Applicants shall provide notice to the service list of any such amendment, restatement, modification and/or supplement and shall file a copy thereof with the Court; (B) the Monitor shall post an electronic copy of such amendment, restatement, modification and/or supplement on the Monitor's Website; and (C) such amendment, restatement, modification and/or supplement shall require the approval of the Court following notice to the Affected Unsecured Creditors.

(b) Notwithstanding Section 8.5(a) but subject to the prior consent of the Purchaser and the Consenting Noteholders, any amendment, restatement, modification or supplement may be made by the Applicants at any time and from time to time without the consent of any Person other than the Purchaser and the Consenting Noteholders, provided that it (i) concerns a matter which, in the opinion of the Applicants, acting reasonably, is of an administrative nature required to better give effect to the implementation of this Plan and the Sanction Order or to cure any errors, omissions or ambiguities and (ii) is not in any way adverse to the financial or economic interests of the Purchaser, First Lien Noteholders, beneficiaries of the Charges, Second Lien Noteholders, DIP Lenders, the Unsecured Senior Noteholders, the Unsecured Pari Passu Noteholders or the Restructuring Claim Holders.

(c) Subject to Sections 8.5(a) and 8.5(b), to the extent the amendment, restatement, modification or supplement described hereinafter is not in any way adverse to the financial or economic interests of the First Lien Noteholders, Second Lien Noteholders, DIP Lenders, the Unsecured Senior Noteholders, the Unsecured Pari Passu Noteholders or the Restructuring Claim Holders, the Applicants reserve the right, at any time and from time to time, to, at the request of the Purchaser and with consent of the Consenting Noteholders, amend, restate, modify and/or supplement this Plan for purposes of carrying out the purpose of the Plan, as set out in Section 2.1 hereof, and to give effect to the transactions contemplated herein, in the most commercial or tax effective manner possible, including the conversion of the Transaction, or any part thereof, from a share acquisition to an asset sale or assignment, or otherwise. For greater certainty, the Applicants shall make any amendment to the sequential steps in Section 5.2(b), including to the terms thereof, reasonably requested by the Purchaser to the extent that any such amendment is not in any way adverse to the financial or economic interests of First Lien Noteholders, Second Lien Noteholders, DIP Lenders, the Unsecured Senior Noteholders, the Unsecured Pari Passu Noteholders, the Restructuring Claim Holders or the Applicants.

(d) Any amended, restated, modified or supplementary plan or plans of arrangement and reorganization filed with the Court and, if required by this Section, approved by the Court with the consents required pursuant to this Section shall, for all purposes, be and be deemed to be a part of and incorporated in this Plan.

(e) Notwithstanding any other provision of this Plan, the definition of "First Lien Holdback Amount" and the provisions of Section 6.4 of this Plan may not be amended without an order of the Court.

8.6 Severability of Plan Provisions

If, prior to the Effective Time, any term or provision of this Plan is held by the Court to be invalid, void or unenforceable, at the request of the Applicants, and subject to the prior consent of the Purchaser and the Consenting Noteholders, each acting reasonably, the Court shall have the power to either (a) sever such term or provision from the balance of this Plan and provide the Applicants, the Purchaser and the Consenting Noteholders (to the extent such severance may affect the Unsecured Senior Noteholders, First Lien Noteholders, Second Lien Noteholders or DIP Lenders) with the option to proceed with the implementation of the balance of this Plan as of and with effect from the Effective Date, or (b) alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted, provided that the Purchaser and the Consenting Noteholders (to the extent such alteration or interpretation may affect the Unsecured Senior Noteholders, First Lien Noteholders, Second Lien Noteholders or DIP Lenders) have approved such alteration or interpretation, each acting reasonably. Notwithstanding any such holding, alteration or interpretation, and provided that the Applicants proceed with the implementation of this Plan, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

8.7 Consent of Consenting Noteholders

For the purposes of this Plan, any matter requiring the agreement, waiver, consent or approval of the Consenting Noteholders shall be deemed to have been agreed to, waived, consented to or approved by such Consenting Noteholders if such matter is agreed to, waived, consented to or approved in writing by Goodmans, provided that Goodmans expressly confirms in writing (including by way of e-mail) to the applicable Person that it is providing such agreement, consent or waiver on behalf of the Consenting Noteholders.

8.8 Paramountcy

Any conflict between:

(a) the Plan or the Sanction Order; and

(b) the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed or implied, of any contract, mortgage, security agreement, indenture, trust indenture, note, loan agreement, commitment letter, support agreement, agreement for sale, lease or other agreement, written or oral and any and all amendments or supplements thereto existing between one or more of the Affected Unsecured Creditors and one or more of the Applicants as at the Effective Date and the notice or articles, articles or bylaws of any of the Applicants at the Effective Date;

will be deemed to be governed by the terms, conditions and provisions of the Plan and the Sanction Order, which shall take precedence and priority, provided that any settlement agreement executed by any of the Applicants and any Person asserting a Claim that was entered into from and after the Filing Date shall be read and interpreted in a manner that assumes that such settlement agreement is intended to operate congruously with, and not in conflict with, the Plan; and provided further, that to the extent that any provision of this Plan conflicts with or is in any way inconsistent with any provision of the Sanction Order, the Sanction Order shall govern.

8.9 Notices

Any notice or other communication to be delivered hereunder must be in writing and refer to this Plan and may, subject as hereinafter provided, be made or given by personal delivery, ordinary mail, email or by facsimile addressed to the respective Persons as follows:

(a) If to any of the Applicants:

101 Exchange Avenue
Vaughan, Ontario
L4K 5R6

Attention: William Aziz
Fax: (905) 849-4248
Email: baziz@bluetreeadvisors.com

with a copy, which shall not constitute notice, to:

Norton Rose Fulbright Canada LLP
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3800
P.O. Box 84
Toronto, Ontario
M5J 2Z4

Attention: Walied Soliman and Virginie Gauthier
Fax: (416) 216-3930
Email: walied.soliman@nortonrosefulbright.com / virginie.gauthier@nortonrosefulbright.com

(b) If to the Ad Hoc Committee of Noteholders or the Consenting Noteholders:

Goodmans
Suite 3400
333 Bay Street
Bay Adelaide Centre
Toronto, Ontario M5H 2S7

Attention: Rob Chadwick and Brendan O'Neill
Fax: (416) 979-1234
Email: rchadwick@goodmans.ca / boneill@goodmans.ca

(c) If to the Purchaser:

TELUS Corporation
3777 Kingsway
21st Floor
Burnaby, British Columbia V5H 3Z7

Attention: Stephen Lewis
Fax: (604) 438-4570
Email: Stephen.Lewis@TELUS.com

with a with a copy, which shall not constitute notice, to:

Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place
Toronto, Ontario M5X 1B8

Attention: Robert Yalden, Edward Sellers and Marc Wasserman

Fax: (514) 904-8101 / (416) 862-4908
Email: ryalden@osler.com / esellers@osler.com / mwasserman@osler.com

or to such other address as any Person may from time to time notify the others in accordance with this Section. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of faxing, email or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, faxed, emailed or sent before 5:00 p.m. on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

8.10 Further Assurances

Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan without any further act or formality, each of the Persons named or referred to in, or subject to, this Plan will make, do and execute, or cause to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them to carry out the full intent and meaning of this Plan and to give effect to the transactions contemplated herein.

8.11 Further Directions of the Court

The Monitor shall, in its sole discretion, be entitled to seek further direction of the Court with respect to any matter relating to the implementation of this Plan.

APPENDIX C

Court File No. CV-13-10274-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 8440522 CANADA INC., DATA & AUDIO-VISUAL ENTERPRISES WIRELESS INC., AND DATA & AUDIO-VISUAL ENTERPRISES HOLDINGS INC.

Applicants

AFFIDAVIT OF WILLIAM E. AZIZ
(sworn April 16, 2014)

I, **WILLIAM E. AZIZ**, of the Town of Oakville, in the Province of Ontario, MAKE OATH AND SAY:

1. I am the President of BlueTree Advisors II Inc. ("**BlueTree**"), which has been retained by Data & Audio-Visual Enterprises Holdings Inc. ("**Holdings**") to provide my services to Holdings and its affiliates[1] (collectively, with Holdings, the "**Mobilicity Group**") as Chief Restructuring Officer of the Mobilicity Group. I am a director of each of the Mobilicity Group entities. BlueTree was retained pursuant to an Engagement Letter dated April 24, 2013.

2. My engagement was ratified and confirmed by Order of this Court on September 30, 2013 (as amended, the "**Initial Order**").

[1] The affiliates of Holdings are 8440522 Canada Inc. and Data & Audio-Visual Enterprises Wireless Inc. ("**Wireless**").

3. I have been overseeing the restructuring efforts of the Mobilicity Group since April 24, 2013 and, as such, I have knowledge of the matters to which I hereinafter depose, except where otherwise stated. I have spoken with certain of the directors, officers, advisors and/or employees of the Mobilicity Group, as necessary, and, where I have relied upon information from such discussions, I believe such information to be true.

4. I swear this Affidavit in support of a motion for a Plan Filing and Creditors' Meeting Order (the "**Meeting Order**") substantially in the form of the draft contained in the Mobilicity Group's motion record that, among other things, (i) authorizes the Mobilicity Group to file a plan of compromise or arrangement in respect of the TELUS Transaction (as defined below) (the "**Plan**"); and (ii) authorizes the Mobilicity Group to call and conduct a meeting of Affected Unsecured Creditors (as defined below) to consider and vote on a resolution approving the Plan.

5. This affidavit is also filed in support of the Applicants' request for an extension of the Stay Period (as such term is defined in Paragraph 15 of the Initial Order, as amended) until June 30, 2014.

I. INTRODUCTION

6. The Mobilicity Group carries on business as a Canadian wireless telecommunications carrier. It provides cellular service to Canadians in five urban markets across Canada: Ottawa, Toronto, Calgary, Edmonton and Vancouver.

7. The Mobilicity Group commenced proceedings under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**"), and obtained the Initial Order in these proceedings, on September 30, 2013. A copy of the Initial Order is attached hereto as **Exhibit "A"**.

8. Ernst & Young Inc. was appointed as Monitor of the Mobilicity Group (the "**Monitor**") pursuant to the Initial Order.

9. Since November 2013, the Mobilicity Group has been engaged in a comprehensive court-supervised sale process (the "**Sale Process**"). A copy of the order approving the Sale Process (the "**Sale Process Order**") is attached hereto as **Exhibit "B"**.

10. The Sale Process was in addition to the efforts of the Mobilicity Group and its financial advisors over the 18 month period preceding the Initial Order to pursue all available sale and restructuring alternatives in the context of which the Mobilicity Group and its financial advisors contacted and sought interest from more than 40 strategic and financial parties.

11. Following the commencement of these proceedings and throughout the Sale Process, the Mobilicity Group, its financial advisor and the Monitor again identified and reached out to all parties who may be interested in purchasing the assets or business of the Mobilicity Group. All interested parties had ample, fair and equal opportunity to acquire all or part of the Mobilicity Group's assets or business.

12. Only one acceptable transaction has emerged from these extensive efforts: a transaction proposed by TELUS Corporation ("**TELUS**"), to be implemented pursuant to the Plan, and pursuant to which the Mobilicity Group's business will continue as a going-concern for the benefit of all stakeholders (the "**TELUS Transaction**").

13. The TELUS Transaction offers significant value to the Mobilicity Group for its assets and will allow the Mobilicity Group to repay it secured creditors in full and provide a partial recovery to the holders of its unsecured debt. Pursuant to the TELUS Transaction, the trade liabilities of the Mobilicity Group will continue unaffected against the Mobilicity Group to be

dealt with in the ordinary course, all employees, dealers and significant obligations will be assumed by TELUS and services for subscribers will continue uninterrupted.

14. The Mobilicity Group operates at a loss and the availability of funds under its DIP Loan Agreement (as defined below) remains subject to conditions that have not yet been satisfied. Now that a "Successful Bid" has emerged from the Sale Process, it is imperative that the Applicants conclude their restructuring efforts without any additional delays.

15. The procedures for the Affected Unsecured Creditors (as defined below) to receive notice of the Meeting (as defined below), the sanction hearing in respect of the Plan, the Meeting Materials (as defined below), and to vote on the Plan, take into consideration (i) the need to bring this restructuring to a conclusion on a timely and efficient basis, (ii) the fact that all Affected Unsecured Creditors with the exception of a small percentage of holders of Unsecured Senior Notes are represented by counsel who have been actively involved in these proceedings, and (iii) the fact that the same categories of Affected Unsecured Creditors previously considered and voted on the Applicants' CBCA Plan (as defined below).

II. THE MOBILICITY GROUP'S CORPORATE AND CAPITAL STRUCTURE

16. The Mobilicity Group's corporate structure consists of the following entities:

(a) **Holdings**: a private company incorporated under the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B. 16 ("**OBCA**") in March 2008. Holdings holds 100% of the shares of Wireless and carries on no active operations.

(b) **Wireless**: the operating entity of the Mobilicity Group. Wireless is a private company which was incorporated under the OBCA in March 2008 and wholly-owned by Holdings. Data & Audio-Visual Enterprises Leasing Inc. was amalgamated with Data & Audio-Visual Enterprises Wireless Inc. to form Wireless on May 15, 2013.

(c) **8440522 Canada Inc. ("844")**: a private company incorporated under the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 ("**CBCA**") that is wholly-owned by Wireless. 844 has no material assets or liabilities.

17. The Mobilicity Group has issued notes with an aggregate principal amount of approximately $428.25 million. With accrued interest and financing costs, the total amount owed at March 31, 2014 was approximately $568 million as follows:

(a) Wireless is the borrower, and Holdings is a guarantor, under certain 9.5% first lien notes issued in a principal amount of $195 million due April 29, 2018 (the **First Lien Notes**). As of March 31, 2014, the total amount of principal and interest owing was approximately $215 million.

(b) Wireless is also the borrower, and Holdings is a guarantor, under $43.25 million of 15.5% second lien notes that became due September 30, 2013 (the **Second Lien Notes**). The Second Lien Notes rank behind the First Lien Notes in right of payment, and security on the Second Lien Notes is subordinate to the First Lien Notes security. As of March 31, 2014, the total amount of principal and interest owing was approximately $47 million.

(c) Holdings has issued 15% senior unsecured debentures (the **Unsecured Senior Notes**) in the total principal amount of $95 million due September 25, 2018. As of March 31, 2014, the amount outstanding on the Unsecured Senior Notes (including payment in kind interest) was approximately $170 million.

(d) Holdings has also issued 12% convertible unsecured notes due September 25, 2018. Initially, convertible notes in the principal amount of $59,741,000 were issued (the **Unsecured Pari Passu Notes**). Subsequently, additional convertible notes in the principal amount of $35,000,000 were issued (the **Unsecured Subordinated Notes,** and collectively with the Unsecured Pari Passu Notes, the **Convertible Notes**). The Unsecured Subordinated Notes rank subordinate in right of payment to the Unsecured Pari Passu Notes and the Unsecured Senior Notes, and the Unsecured Pari Passu Notes rank *pari passu* in right of payment with the Unsecured Senior Notes. As of March 31, 2014, the amount outstanding under the Unsecured Pari Passu Notes and the Unsecured Subordinated Notes (including payment in kind interest) was approximately $86 million and approximately $50 million, respectively.

18. The Mobilicity Group also has equity investors who have invested approximately $250 million.

19. In addition, in connection with these proceedings, the Mobilicity Group entered into a debtor-in-possession note purchase agreement (the "**DIP Loan Agreement**") with certain lenders party thereto (the "**DIP Lenders**"). No amounts have been advanced under the DIP Loan Agreement to date and the availability of funds thereunder still remains subject to conditions that have not been satisfied.

III. THE SALE PROCESS

20. On November 13, 2013, this Court issued the Sale Process Order approving the Sale Process.

21. The Sale Process was conducted under the supervision of the Monitor, with the assistance of Canaccord Genuity as financial advisor to the Mobilicity Group (**Canaccord**), who, given its extensive involvement in the Mobilicity Group's sale efforts, is familiar with the industry players in the Applicants' market.

22. The Sale Process was an open and competitive process that provided a fair and equal opportunity to all those interested in making a bid for the Applicants' business or all or part of their assets. All credible, interested parties were contacted and all *bona fide* potential bidders who signed non-disclosure agreements were given access to the Mobilicity Group's detailed electronic data room and opportunities to meet with management and participate in site visits. The parties contacted include all potential strategic purchasers contacted prior to the Sale Process and all major North American telecommunications industry participants.

23. All bids submitted in the Sale Process were reviewed by the Monitor, the Mobilicity Group and Canaccord. The Monitor, in consultation with the Mobilicity Group and counsel to DIP Lenders, selected the bid from TELUS as the "Successful Bid" in accordance with the Sale Process.

24. The TELUS Transaction is the only acceptable transaction that emerged from the Sale Process and is the highest and best offer received through the Sale Process.

25. In connection with the TELUS Transaction, the Applicants anticipate that holders of the First Lien Notes, Second Lien Notes, and Unsecured Senior Notes (collectively, the "**Consenting Noteholders**") and Convertible Notes, as well as the DIP Lenders, will enter into support agreements in respect of the TELUS Transaction. I understand that details in connection with such matters will be outlined in the Monitor's Sixth Report.

26. The Monitor, as an independent Court officer with an obligation to act in the best interests of the Mobilicity Group's stakeholders, supports the TELUS Transaction as the most beneficial alternative for those stakeholders, and as the only alternative likely to provide them any meaningful recovery.

27. The Mobilicity Group has engaged in discussions with Industry Canada with respect to a preliminary review and assessment of the deemed transfers of the Mobilicity Group's spectrum licences that would occur pursuant to the TELUS Transaction.

IV. THE PLAN

28. The TELUS Transaction is to be implemented through a plan of compromise or arrangement, which is based upon the terms of a Term Sheet executed by the Mobilicity Group and TELUS dated April 1, 2014.

29. The Plan is being finalized concurrently with my swearing of this affidavit. I understand that a copy of the Plan will be attached as a schedule to the draft order to be included in the motion record.

30. In addition, I understand that a copy of the Plan will also be attached to the Monitor's Sixth Report, which will contain a detailed description of the Plan provisions and the recovery offered to the Applicants' stakeholders thereunder.

31. No creditors of the Mobilicity Group, other than the holders of Senior Unsecured Notes, Unsecured Pari Passu Notes, Unsecured Subordinated Notes and the holders of any Restructuring Claims (as defined below) (collectively, the "**Affected Unsecured Creditors**") are affected by the Plan. I do not currently anticipate that there will be any significant Restructuring Claims.

32. The TELUS Transaction contemplates the subscription by TELUS or its designee for all post-restructuring shares of Holdings to indirectly acquire Holdings' operating subsidiary, Wireless, on a cash-free and funded debt-free basis for the purchase price of $350 million in cash (the "**Purchase Price**"), subject to certain adjustments provided for in the Plan. In addition, pursuant to the TELUS Transaction, TELUS will assume $22 million of net negative working capital (the "**Target Net Working Capital Amount**"), subject to certain adjustments provided for in the Plan.

33. I believe that the Target Net Working Capital Amount represents a reasonable estimate of the net working capital of the Applicants at closing of the TELUS Transaction.

34. The purpose of the Plan is to provide for, among other things:

(a) the continuation of the Mobilicity Group's business as a going concern;

(b) the continuation of existing trade liabilities of the Mobilicity Group, to be dealt with in the normal course of business;

(c) the repayment in full of the First Lien Notes, the Second Lien Notes and of the amounts advanced under the DIP Loan Agreement, if any;

(d) the repayment in full of all amounts owing under the Court-ordered charges approved pursuant to Orders issued during these proceedings (the "**Court-Ordered Charges**"); and

(e) subject to the payment of any transaction fees not otherwise covered by the Court-Ordered Charges, remaining proceeds will be distributed under the Plan to holders of the Unsecured Senior Notes and Unsecured Pari Passu Notes, and holders of any claims that have arisen in these CCAA proceedings as a result of the termination, resiliation, assignment or repudiation by the Mobilicity Group of any contract, lease or other agreement (each a "**Restructuring Claim**"), if any.

35. I believe that all persons with a remaining economic interest in the Mobilicity Group will derive a greater benefit from the implementation of the Plan than would otherwise result.

36. On implementation of the Plan, the claims of holders of First Lien Notes and Second Lien Notes, the DIP Lenders under the DIP Loan Agreement, the beneficiaries under Court-Ordered Charges, and Affected Unsecured Creditors will be fully, finally and irrevocably and forever compromised, released, discharged, cancelled and barred.

37. Under the Plan, equity claims and the Unsecured Subordinated Notes will be released, discharged and cancelled for no consideration.

38. The Plan provides for a First Lien Holdback Amount (as defined below). All obligations claimed under the First Lien Notes or the indenture governing the First Lien Notes would be satisfied under the Plan by: (i) paying from the Purchase Price all principal and accrued but unpaid interest up to the Plan implementation date on the First Lien Notes to the holders of First Lien Notes; and (ii) paying into escrow, from the Purchase Price, $71 million (the "**First Lien Holdback Amount**"), being the full amount that the Catalyst Capital Group has claimed is owing under the terms of a claimed 'make whole' obligation under the First Lien Notes.

39. The entitlement of holders of First Lien Notes to the First Lien Holdback Amount, or any portion thereof, will be determined or agreed at some point in the future. The First Lien Holdback Amount mechanism was designed to ensure that the Plan could be implemented without prejudice to the rights of any First Lien Noteholder to argue that it is entitled to the

make-whole while allowing the TELUS Transaction to be implemented in the time frame necessary in light of the Mobilicity Group's financial circumstances.

40. The First Lien Holdback Amount mechanism was developed and added to the Applicants' CBCA Plan (as defined below) following consultation with Catalyst Capital Group, and with the consent of Catalyst Capital Group, as an acceptable means of addressing the claimed "make-whole" obligation under the First Lien Notes.

41. In the event that it is determined or agreed in accordance with the terms of the Plan that a portion of the First Lien Holdback Amount is not payable to any holder of First Lien Notes, that portion of the First Lien Holdback Amount will be distributed to Affected Unsecured Creditors on a *pro rata* basis under the Plan.

V. MOBILICITY GROUP'S CURRENT LIQUIDITY

42. The Mobilicity Group operates at a loss and based upon current cash flow forecasts, the Mobilicity Group expects that it will exhaust its remaining liquidity by early July 2014.

43. The conditions to funding that are contemplated by the DIP Loan Agreement have not been met to date.

44. In view of its current liquidity, the Mobilicity Group believes that it is important to move forward with the Meeting and the implementation of the TELUS Transaction pursuant to the proposed timeline.

VI. MEETING ORDER

45. The draft Meeting Order provides that the Mobilicity Group is authorized to file the Plan and to convene a meeting of the Affected Unsecured Creditors to consider and vote on the Plan.

46. Pursuant to the Plan, there will be one class of Affected Unsecured Creditors, composed of beneficial holders of the Unsecured Senior Notes and Convertible Notes as at April 15, 2014 (the "**Voting Record Date**") and any creditors with Restructuring Claims.

47. I believe that the classification under the Plan is fair having regard to:

(a) the unsecured nature of the debts, which is common to all members of the class;

(b) the fact that the Restructuring Claims, if any, and the claims under the Unsecured Senior Notes and the Unsecured Pari Passu Notes rank *pari passu* in a liquidation of the Mobilicity Group on a consolidated basis;

(c) the fact that the Unsecured Subordinated Notes rank subordinate to the Unsecured Senior Notes, the Unsecured Pari Passu Notes and any Restructuring Claims, all of which will be partially compromised under the Plan;

(d) if the Unsecured Subordinated Notes did not vote with the other Affected Unsecured Creditors in a single class, the Unsecured Subordinated Notes would effectively have a veto on the Plan notwithstanding that the results of the Sale Process indicate that the holders of the Unsecured Subordinated Notes have no economic interest in the assets of the Mobilicity Group at this time;

(e) the manner in which the vast majority of the Affected Unsecured Creditors have largely already been consulted in respect of the Plan, either directly or through active participation of their counsel throughout these proceedings, and have indicated a willingness to enter into support agreements in connection with the TELUS Transaction; and

(f) the creditors' legal interests, taking into account the anticipated support agreements as well as other contractual arrangements,[2] and the remedies available to them, and the extent to which they would recover on their claims by exercising those remedies.

48. The classification proposed in the Meeting Order is identical to the classification proposed, and approved by the Court on May 28, 2013, in the Applicants' Plan of Arrangement proceedings under the CBCA (the "**CBCA Plan**") with the exception of the inclusion of the Restructuring Claims, if any.

49. The meeting of Affected Unsecured Creditors (the "**Meeting**") has been scheduled to be held at the offices of Norton Rose Fulbright Canada LLP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 3800, Toronto, Ontario, M5J 2Z4 on April 30, 2014 at 9:00 am.

50. Pursuant to the draft Meeting Order, the Mobilicity Group may, with the consent of the Monitor and counsel to the Consenting Noteholders, hold the Meeting on another date or decide not to call, conduct or hold the Meeting. If the date for the Meeting is changed or if the Meeting is cancelled, the Monitor will post notice of the change of date or cancellation on the Monitor's website at www.ey.com/ca/mobilicity (the "**Monitor's Website**") and provide notice of the change of date or cancellation to the Service List.

51. The Meeting may be adjourned at the discretion of the Chair (as defined below) of the Meeting after consultation with the Applicants and counsel to the Consenting Noteholders.

[2] QCP CW S.A.R.L., as holder of the Unsecured Subordinated Notes, is party to a Support Agreement with Equity Financial Trust Company (as trustee under the indenture governing the First Lien Notes and the Unsecured Senior Notes), a copy of which is attached hereto as **Exhibit "C"**, which provides, among other things, that in certain circumstances the holders of Convertible Notes will be obligated to vote those Convertible Notes in favour of specified transactions that have the support of a majority of the holders of Unsecured Notes.

52. The draft Meeting Order provides for, *inter alia*, the following in respect of the governance of the Meeting:

(a) an officer of the Monitor shall preside as the chair of the Meeting (the "**Chair**");

(b) the only parties entitled to attend the Meeting are the Affected Unsecured Creditors (or their respective proxy holders), representatives of the Applicants, the Monitor, the Indenture Trustee (as defined in the Plan), the legal counsel of any of the foregoing, counsel to the Consenting Noteholders, the Chair, the Scrutineers and the secretary of the Meeting. Any other person may be admitted to the Meeting only by invitation of the Applicants or the Chair;

(c) the quorum for the Meeting is two Affected Unsecured Creditors;

(d) only Affected Unsecured Creditors or their duly appointed proxyholders are entitled to vote at the Meeting;

(e) the Monitor shall tabulate the vote taken at the Meeting and determine whether the Plan has been accepted by the required majorities of Affected Unsecured Creditors; and

(f) the results of the vote conducted at the Meeting shall be binding on each creditor of the Mobilicity Group whether or not such creditor is present in person or by proxy or voting at that meeting.

53. Pursuant to the Meeting Order, beneficial holders of the Unsecured Senior Notes (and not registered holders of the Unsecured Senior Notes, unless such holders are also beneficial holders and are voting in their capacity as beneficial holders), and of the

Convertible Notes as of the Voting Record Date, and any holders of Restructuring Voting Claims (as defined below) are the only parties entitled to vote.

54. The draft Meeting Order provides for approval of certain materials to be provided to Affected Unsecured Creditors. The materials include:[3]

(a) a Notice of Meeting;

(b) a form of proxy to be used by holders of Convertible Notes and Restructuring Claims;

(c) a form of proxy to be used by beneficial holders of Unsecured Senior Notes (the **Beneficial Noteholder Proxy**);

(d) the Sixth Report of the Monitor describing the Plan in details and the voting procedures;

(e) the Plan; and

(f) the Meeting Order,

(collectively, the "**Meeting Materials**").

55. The Meeting Materials will provide Affected Unsecured Creditors with all information necessary to consider and vote on the Plan.

56. The draft Meeting Order provides that the Meeting Materials (or applicable portions thereof) must be delivered as soon as practicable following the issuance of the Meeting Order to: (a) all beneficial holders of Unsecured Senior Notes as at the Voting Record Date as reflected on the "search list" of such holders generated by Broadridge Financial Solutions Inc.; (b) counsel to the Consenting Noteholders; (c) counsel to QCP CW S.A.R.L., which is

[3] Capitalized terms used in this section and not otherwise defined shall have the meanings ascribed to them in the Meeting Order.

the only holder of Convertible Notes, and (d) any registered holder in respect of Unsecured Senior Notes held outside of the CDS participant holding system.

57. The draft Meeting Order also provides that the Meeting Materials (without the Beneficial Noteholder Proxy) must be delivered as soon as practicable following the issuance of the Meeting Order to the holders of any Restructuring Claims accepted by the Monitor (each a **Restructuring Voting Claim**).

58. Upon the issuance of the Meeting Order, the Applicants will issue a press release announcing the issuance of the Meeting Order and inviting Affected Unsecured Creditors to obtain the relevant materials, including proxy forms from the Monitor's Website.

59. The Monitor and the Mobilicity Group are also taking steps to provide advance notice of the Meeting and Meeting Materials prior to the hearing for the Meeting Order.

60. On April 16, 2014, the Monitor caused a notice to be sent to CDS for delivery to the CDS participants, and to the other Holder of Records of the Unsecured Senior Notes advising that materials in respect of the Meeting would soon become available. A copy of this notice is attached as **Exhibit "D"** hereto.

61. Concurrently with the service of the motion record for this motion, Mobilicity will issue a press release announcing the service of the motion record and advising of the posting of the motion record, including the Meeting Materials, on the Monitor's Website.

62. The Mobilicity Group believes that these advance steps together with the steps contemplated pursuant to the Meeting Order will provide sufficient time for Affected Unsecured Creditors to consider and vote on the Plan.

63. The Mobilicity Group has been informed by Robert Chadwick, as counsel to the Consenting Noteholders, that approximately 95% of the holders of Unsecured Senior Notes are represented by Goodmans LLP.

64. QCP CW S.A.R.L., as the sole holder of all of the Unsecured Pari Passu Notes and all of the Unsecured Subordinated Notes, is represented by counsel on the Service List in this matter.

65. Should any Restructuring Claims arise or otherwise exist, the holders of those Restructuring Claims will be contacted directly by the Monitor.

66. The voting procedures contemplated by the draft Meeting Order were developed in cooperation with the Monitor and counsel to the Consenting Noteholders and the Monitor. These procedures have been established to provide a fair and equitable means for all Affected Unsecured Creditors to have their votes separately solicited and tabulated, including beneficial holders of the Unsecured Senior Notes. The Meeting Materials contain detailed instructions describing how beneficial holders of Unsecured Senior Notes and holders of Convertible Notes are to vote on the Plan.

Claims Process

67. No formal claims procedure is contemplated in connection with the determination of claims for voting purposes at the Meeting. The Mobilicity Group does not believe that any formal claims procedure is necessary as the claims of Affected Unsecured Creditors for voting purposes will, in the case of claims under the Unsecured Senior Notes, be determined by the records of the applicable Holders of Record, in the case of Convertible Notes, be determined in accordance with the books and records of the Applicants and, in the case of any Restructuring Claims that may exist, be determined by the Monitor based upon the

contractual entitlements of the party whose agreement has been terminated, resiliated, assigned or repudiated. No claims process was required by the Court for the vote that occurred in respect of the CBCA Plan.

Amendments to the Plan

68. The Plan provides that, before, during or after the Meeting, the Mobilicity Group may amend the Plan by written instrument and shall post such amendment on the Monitor's Website, subject to obtaining the consent of TELUS and the Consenting Noteholders and approval at the Meeting (if made prior to or during the Meeting) or approval by the Court (if made after the Meeting). In the case of administrative amendments that are not in any way adverse to the financial or economic interests of TELUS or the holders of the First Lien Notes, the Second Lien Notes, the Unsecured Senior Notes or the Unsecured Pari Passu Notes, or the holders of any Restructuring Claims, the Mobilicity Group proposes that approval at the Meeting or approval of the Court would not be required.

VII. STAY EXTENSION

69. The Applicants are requesting an extension of the Stay Period under the Initial Order (as such Stay Period was extended previously further to Orders of this Court) up to and including, June 30, 2014 (the "**Stay Extension**").

70. The purpose of the requested extension is to allow the Applicants to hold the Meeting, bring a motion to the Court to sanction the Plan and implement the transactions contemplated thereunder.

71. The Applicants have been working in good faith and with due diligence since the last extension of the Stay Period to advance the transactions contemplated by the Plan, including negotiating final transaction documents with TELUS and engaging with Industry Canada in

the context of a request for a preliminary assessment of the deemed transfer of the Applicants' spectrum licenses pursuant to the TELUS Transaction.

72. The Applicants, with the assistance of the Monitor, have prepared updated cash flow projections for the period between April 5, 2014 and July 4, 2014 (the "**Updated Cash Flow Statement**"), which cover the period of the proposed Stay Extension. I understand that the Updated Cash Flow Statement will be attached as an appendix to the Monitor's Sixth Report to be served in connection with this motion.

73. The Updated Cash Flow Statement shows that the Applicants have sufficient resources during the requested extension of the Stay Period, to meet their post-filing obligations during that same period.

74. I am advised that the Monitor, the Ad Hoc Committee of Noteholders, the DIP Lenders, the Bridge Lenders and QCP CW S.A.R.L. (as those terms are referred to herein or in the Initial Order) all support the requested extension of the Stay Period.

VIII. CONCLUSIONS

75. The Mobilicity Group's court-approved Sale Process has produced a "Successful Bid" that the Mobilicity Group now seeks to implement on an expedited basis pursuant to the Plan to achieve a going concern solution for the benefit of all of the Applicants' stakeholders.

76. The Mobilicity Group is seeking a Meeting Order that is consistent with this goal and that is reflective of the reality that substantially all affected stakeholders have been actively engaged in this restructuring process for an extended period, are aware of the details of the Plan, are supportive of the Plan, and are represented by counsel who can efficiently advise on the rights of those stakeholders in connection with the Plan.

77. The Mobilicity Group believes that the Plan is in the best interests of the Applicants' creditors and that the Meeting should be ordered in respect of the Plan.

SWORN BEFORE ME at the City of Toronto, Province of Ontario, on April 16, 2014. ACampbell Commissioner for Taking Affidavits Andrea E. Campbell	William E. Aziz WILLIAM E. AZIZ

APPENDIX D

THE WALL STREET JOURNAL.

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ENERGY

Chinese deep-water gas project to open

SIMON HALL HONG KONG

China is set to start the pumps at its first deep-water natural-gas project, an engineering feat using a platform designed to withstand typhoons and using hundreds of kilometres of undersea pipelines.

The field is part of Beijing's effort to more than double its use of gas to 10 per cent of China's energy mix by 2020, helping to wean the country off the dirtier coal that produces two-thirds of its electricity.

The Liwan-3 gas field in the South China Sea about 300 kilometres southeast of Hong Kong is expected to go online by early next year and eventually pump about 4 per cent of the country's gas supply. It has the potential to send more gas to China than current imports from Australia, China's second-largest supplier of liquefied natural gas.

Husky Energy Inc., which is controlled by Hong Kong billionaire Li Ka-shing, operates the $6.5-billion (U.S.) project and owns 49 per cent. Chinese state-owned energy company CNOOC Ltd. holds the rest.

CNOOC has made a push to develop its offshore-drilling expertise, last year paying $15.1-billion for Calgary-based Nexen Inc. That purchase gave CNOOC access to technical skills used by Nexen in the Gulf of Mexico, which is far deeper than Liwan's location, and which can be used in future deep-water projects. Husky and CNOOC contracted with deep-water specialists, including Italy's Saipem SpA, for assistance at Liwan.

"We're within an arm's length of realizing first gas production," Husky Energy chief operating officer Robert Peabody said in an Oct. 24 presentation.

Liwan's initial output of about 300 million cubic feet a day will rise to about 350 million next year when a second, nearby field goes online. With the connection of a third field more than a year from now, production is expected to reach about 500 million cubic feet a day.

Liwan's peak output, in 2015, will amount to around 4 per cent of Chinese domestic gas output and roughly 7 per cent of the gas that China imports. "Small numbers, but quite impressive from just one development," said Craig McMahon, of consulting firm Wood Mackenzie.

The first gas will come from nine wells drilled into the seabed beneath 1,450 metres of water. The gas will then flow through two 79-km pipelines to a shallow-water platform, at which point it will be piped 260 km to the coast between Macau and Hong Kong.

Chester Dawson contributed to this article.

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LEGALS

IN THE ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED (the "CCAA")

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 8440522 CANADA INC., DATA & AUDIO-VISUAL ENTERPRISES WIRELESS INC., AND DATA & AUDIO-VISUAL ENTERPRISES HOLDINGS INC. (COLLECTIVELY, "MOBILICITY")

NOTIFICATION OF COURT-SUPERVISED SALE PROCESS

The Ontario Superior Court of Justice (Commercial List) (the "Court") has made an Order under the CCAA pursuant to which Mobilicity and the Court-appointed monitor, Ernst & Young Inc. (the "Monitor"), are authorized to conduct certain procedures (the "Sale Procedures") to market for sale of all or substantially all of the business and assets or shares of Mobilicity (collectively the "Assets"). Prospective purchasers will have the opportunity to submit a bid for the Assets or a portion thereof. Any sale of all or part of the Assets will be made on a "as is, where is" basis without surviving representations or warranties. In addition, any sale will be subject to Court approval.

The Sale Procedures contain certain deadlines, including (i) a requirement that potential bidders deliver certain information, demonstrating their legitimate interest and financial capability, no later than 10:00 p.m. (ET) on December 2, 2013 and (ii) a requirement that qualified bidders submit final bids no later than 5:00 p.m. (ET) on December 9, 2013.

A copy of the Court Order approving the Sale Procedures, as well as a copy of the Sale Procedures and related documents, can be found on the Monitor's website at the following link: www.ey.com/ca/mobilicity.

Any parties who wish to commence due diligence must first execute a confidentiality agreement satisfactory to Mobilicity and the Monitor. Interested parties should contact the Monitor at the coordinates below.

ERNST & YOUNG INC.,
Court-Appointed Monitor of Mobilicity
222 Bay Street, Suite 2100
P.O. Box 251
Toronto, Ontario M5K 1J7
Attention: Sajjad Mahmood
Telephone: 416-943-5395
Facsimile: 416-943-3300
E-mail: sajjad.mahmood@ca.ey.com

EY

IN THE MATTER OF THE BANKRUPTCY OF CHEESE FACTORY ROAD HOLDINGS INC.

Notice is hereby given that the bankruptcy of Cheese Factory Road Holdings Inc., with the head office located at 6 Lansdowne Road, Cambridge, ON, occurred on the 7th day of November, 2013; and that the First Meeting of Creditors will be held on the 27th day of November, 2013 at 10:00 am at 150 York Street, Suite 1600, Toronto, ON.

DATED at Toronto this 15th day of November, 2013.

A. FARBER & PARTNERS INC.
150 York Street, Suite 1600
Toronto, ON M5H 3S5
Telephone No. (416) 497-0150
Facsimile No. (416) 496-3839
www.farberfinancialgroup.com

Farber

NOTICE TO CREDITORS AND OTHER

TAKE NOTICE

that all persons having claims against the estate of Rose Hallett Crosthwaite who died in Toronto on or about October 29, 2013 must submit those claims to the undersigned on or before the 24th day of November 2013, after which the assets of the estate will be distributed.

Hugh M Kelly, Miller Thomson, Suite 5800, 40 King St W, Toronto M5H 3S1

DIVIDENDS

DIVIDENDS Computershare

Notice is hereby given that the following dividends have been declared.

Issuer	Issue	Record Date	Payable Date	Rate
AltaGas Ltd.	Common	November 25, 2013	December 16, 2013	$0.1275
Keyera Corp.	Common	November 22, 2013	December 16, 2013	$0.20
Pembina Pipeline Corp.	Common	November 25, 2013	December 15, 2013	$0.14

MAGNA

Dividend Notice

NOTICE is hereby given that the Board of Directors of Magna International Inc. has declared a dividend in respect of the 3-month period ended September 30, 2013 as follows:

Amount: US$0.32 per Common Share
Record Date: Nov. 29, 2013
Payment Date: Dec. 13, 2013

BY ORDER OF THE BOARD
Bassem A. Shakeel,
Vice-President and Corporate Secretary

Aurora, Ontario
November 5, 2013

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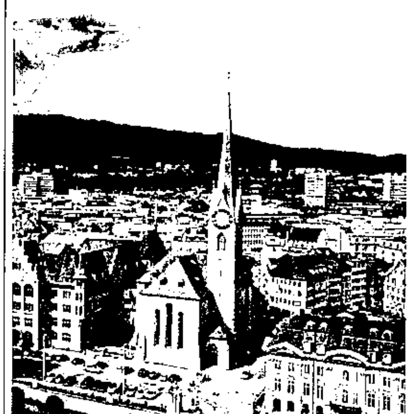

Critics say the initiative, if passed, will make the country one of the least attractive places in the world to do business. GIANLUCA COLLA/BLOOMBERG

COMPENSATION

Switzerland's 1:12 proposal on executive pay faces vote

NEIL MacLUCAS

Switzerland will vote next week on a proposal limiting executive pay to 12 times that of a company's lowest-paid worker, the second time this year the country will use the ballot box in an attempt to rein in corporate compensation.

On Nov. 24, voters will be asked to approve or reject the so-called "1:12 Initiative for Fair Pay," which organizers say would address a growing wealth gap in Switzerland. The initiative is premised on the idea that no one in a company should earn more in a month than others earn in a year.

"Switzerland's wealth is very unfairly distributed," said David Roth, president of the youth wing of the Swiss Socialist Party, which gathered the 100,000 signatures needed to launch the ballot. "While top Swiss managers earn millions, more than 300,000 people in Switzerland have to work for a mere pittance."

The 1:12 initiative has set off a storm of controversy in Switzerland, where voters approved in March a set of measures that gives shareholders broad control over corporate pay, including binding votes on compensation and bans on many types of bonuses.

Critics say the 1:12 initiative, if passed, will make Switzerland, regularly ranked among the most competitive economies in the world, a less attractive place to do business.

The latest poll released Wednesday, which was conducted between Nov. 1 and Nov. 8 by polling group gfs.bern for Swiss television, shows 36 per cent of respondents in favour of the initiative, 54 per cent against and 10 per cent still undecided.

The group's previous poll in October showed 44 per cent in favour, 44 per cent against and 12 per cent undecided.

The initiative needs a simple 50-per-cent approval rate to be adopted, and is then automatically written into the country's constitution. It doesn't require any subsequent parliamentary approval.

Executives at some companies, including commodities giant Glencore Xstrata PLC and freight forwarder Kuehne & Nagel International AG, have said they would consider leaving Switzerland if the initiative, which is part of Switzerland's long tradition of direct democracy, passed.

"We have to do everything we can to continue to attract companies to come to Switzerland and create new jobs," said Patrick De Maeseneire, the chief executive of Glattbrugg, Switzerland-based Adecco SA, the world's largest staffing company by revenue.

He added that each job at corporate headquarters creates between seven and 11 jobs in the broader economy, which helps Switzerland maintain a low unemployment.

Public anger about corporate paydays reached a peak in February, when news broke that Novartis AG was planning to pay departing chairman Daniel Vasella an exit package worth 72 million Swiss francs ($82-million Canadian). The company later scrapped the plan for a more modest package worth about five million francs, including cash and shares.

Outrage over the incident led to the March passage of the Minder Initiative (named after Thomas Minder, the politician who supervised it) that will require a binding shareholder vote on executive salaries at all publicly traded companies incorporated in Switzerland when the law is finalized. It will also ban a range of bonuses, require more transparency on loans to executives and provide for penalties, including jail time, for violators.

Switzerland's government has cautioned that passage of the 1:12 Initiative might lead to a shortfall of 600 million francs a year for pensions and unemployment insurance funds because of an expected fall in social-security contributions.

A study by the University of St. Gallen forecast tax revenues would fall by about 1.5 billion francs per fiscal year if the initiative passed because it would affect the salaries of the top 2 per cent, which pay around 47 per cent of direct federal taxes.

"Social harmony can't be achieved by government interference in setting salaries," Johann Schneider-Ammann, head of the Swiss department of the economy, education and research, said at a press briefing in September. "We have a taxation system and other social checks to achieve this."

John Revill contributed to this article

APPENDIX E

CNW
A PR NEWSWIRE COMPANY

November 14, 2013 9:05 PM - Financial - Legal - Telecommunications Services

Mobilicity Announces Court Sanctioned Sale Process

ORGANIZATION PROFILE

Mobilicity

More on this organization

TORONTO, Nov. 14, 2013 /CNW/ - Data & Audio-Visual Enterprises Holdings Inc. and its affiliates (collectively, **Mobilicity**) announce that the Ontario Superior Court of Justice (Commercial List) has approved the plan of Mobilicity and the Court-appointed monitor, Ernst & Young Inc. (the "**Monitor**"), to conduct certain procedures to market for sale all or substantially all of the business and assets or shares of Mobilicity (the "**Sale Procedures**").

The Sale Procedures contain certain deadlines, including a requirement that potential bidders deliver certain qualification information no later than 10:00 p.m. (ET) on December 2, 2013, and a requirement that qualified bidders submit final bids no later than 5:00 p.m. (ET) on December 9, 2013.

Details of the Sale Procedures, including the process for interested parties to request access to conduct due diligence, are available from the Monitor's website at www.ey.com/ca/mobilicity.

About Mobilicity (DAVE Wireless)

Formerly known as Data & Audio-Visual Enterprises Wireless Inc. (DAVE Wireless), further information about Mobilicity can be found at www.mobilicity.ca.

SOURCE Mobilicity

For further information:
Inquiries regarding the Sale Procedures:

Canaccord Genuity
Mr. Michael Levin, Managing Director
E-Mail: mlevin@canaccordgenuity.com
Phone: (416) 867-6012
Fax: (416) 869-3876

Ernst & Young Inc., Court-appointed Monitor
Mr. Sajjad Mahmood, Vice President
E-Mail: sajjad.mahmood@ca.ey.com
Phone: (416) 943-5395
Fax: (416) 943-3300

Mobilicity:

media@mobilicity.ca, 647-707-7377

Joel Shaffer, Longview Communications
416-649-8006

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