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

MOTION RECORD OF THE APPLICANTS
(Plan Filing and Creditors' Meeting Order and Stay Extension Order)

April 17, 2014

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TAB 1

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Applicants

NOTICE OF MOTION
(PLAN FILING AND CREDITORS' MEETING ORDER AND STAY EXTENSION ORDER)

(Returnable April 23, 2014)

The Applicants, Data & Audio-Visual Enterprises Holdings Inc. ("**Holdings**"), Data & Audio-Visual Enterprises Wireless Inc. ("**Wireless**") and 8440522 Canada Inc. (collectively with Holdings and Wireless, the "**Applicants**" or the "**Mobilicity Group**") will make a motion to a Judge presiding over the Commercial List on April 23, 2014 at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order in the form of a draft order included in the Motion Record:

   (a) abridging the time for service of the Notice of Motion, Motion Record and the Sixth Report of the Monitor and declaring that the motion is properly returnable April 23, 2014;

   (b) establishing a process for the determination of Affected Unsecured Creditors' Affected Claims for voting purposes;

(c) authorizing the filing of the Plan (as defined below);

(d) approving the form of materials to be made available to Affected Unsecured Creditors;

(e) approving the manner in which the Affected Unsecured Creditors were and are to be provided with notice of the Meeting and Meeting Materials (each as defined below);

(f) authorizing and establishing the procedure for the Applicants to call, hold and conduct a meeting of Affected Unsecured Creditors to consider and vote on the Plan (the "**Meeting**");

(g) providing for the return of the Applicants' motion for an order sanctioning the Plan (the "**Sanction Hearing**") if the Plan is approved by the required majorities;

(h) providing for the return of the Applicants' motion for a determination on whether Section 11.3 of the *Companies' Creditors Arrangement Act* (the "**CCAA**") is applicable with respect to the Federal Crown and its agencies and in the affirmative, assigning and transferring the rights and obligations of the Applicants under the Mobilicity Spectrum Licences (as defined in the Aziz Affidavit, itself as defined below) to the Purchaser (whether directly or indirectly) pursuant to Section 11.3 of the CCAA and declaring that the Mobilicity Spectrum Licences and the Purchaser's rights and obligations thereto cannot be cancelled, revoked or otherwise restricted as a result of such assignment and transfer;

(i) extending the Stay Period, as such term is defined in the initial Order issued by this Court on September 30, 2013 (the "**Initial Order**"), as amended by Orders of this Court dated October 24, 2013, December 19, 2013, February 25, 2014 and March 21, 2014 (the most recent being the "**Fourth Stay Extension Order**"), up to and including June 30, 2014 (the "**Fifth Stay Extension**"); and

(j) approving the fees and disbursements of the Monitor (as defined below) and its counsel and the Monitor's activities to date.

2. Such further and other relief as counsel may request and this Court deems just.

THE GROUNDS FOR THE MOTION ARE:

Background

(a) Capitalized terms not otherwise defined herein have the meaning given to them in the Affidavit of William E. Aziz sworn April 16, 2014 (the "**Aziz Affidavit**");

(b) The Mobilicity Group commenced proceedings under the CCAA and obtained the Initial Order in these proceedings, on September 30, 2013;

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

(d) Since November 2013, the Mobilicity Group has been engaged in a comprehensive court-supervised sale process (the "**Sale Process**");

(e) Only one acceptable transaction has emerged from the Sale Process: a transaction proposed by TELUS Corporation ("**TELUS**"), to be implemented pursuant to a plan of compromise or arrangement (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**");

(f) The TELUS Transaction is the highest and best offer received through the Sale Process;

(g) The Mobilicity Group operates at a loss and based upon current cash flow forecasts, the Mobilicity Group will exhaust its remaining liquidity by early July 2014. The availability of funds under the Mobilicity Group's DIP Loan Agreement remains subject to conditions that have not yet been satisfied;

(h) Now that a "Successful Bid" has emerged from the Sale Process, and given the Mobilicity Group's ongoing financial challenges, it is imperative that the Applicants conclude their restructuring efforts without any additional delays;

The Plan

(i) The Applicants seek to implement the Plan on an expedited basis to achieve a going-concern solution for the benefit of all of its stakeholders;

(j) The Plan 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. In addition, pursuant to the TELUS Transaction, TELUS will assume $22 million of net negative working capital;

(k) 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;

(l) Under the Plan, equity claims and the Unsecured Subordinated Notes will be released, discharged and cancelled for no consideration, and the claims of the holders of the First Lien Notes, holders of the Second Lien Notes, the DIP Lenders under the DIP Loan Agreement, the beneficiaries under Court-Ordered Charges, and the Affected Unsecured Creditors will be fully, finally and irrevocably and forever compromised, released, discharged, cancelled and barred;

(m) The Applicants anticipate that holders of the First Lien Notes, Second Lien Notes, Unsecured Senior Notes and Convertible Notes, as well as the DIP Lenders, will enter into support agreements in respect of the Plan;

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

The Meeting

(o) The Mobilicity Group intends to call a meeting of unsecured creditors whose claims will be affected by the Plan on April 30, 2014 at 9:00 am (as defined above, the Meeting) to consider and vote on the Plan;

(p) No 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, be determined by the Monitor based upon the contractual entitlements of the party whose agreement has been terminated, resiliated, assigned or repudiated. The number and value of the Restructuring Claims, if there were to be any, would be *de minimis* by comparison to the value of the claims under the Unsecured Notes and the number of beneficial holders of the Unsecured Notes;

(q) There will be one class of Affected Unsecured Creditors, composed of beneficial holders of the Unsecured Senior Notes, the Pari Passu Notes, the Unsecured Subordinated Note and the Convertible Notes as at April 15, 2014, and any Restructuring Voting Claims that may exist as of that date;

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

(s) In advance of the Meeting, it is necessary to establish the procedures for the calling and conduct of the Meeting including, among other things, classification of creditors, governance of the Meeting, proxies, the call for a vote, the quorum of the Meeting and the effect of the vote;

(t) It is also necessary for the Court to approve the materials to be provided to the Affected Unsecured Creditors in advance of the Meeting (the "**Meeting Materials**");

(u) It is just and convenient and in the interests of the Mobilicity Group and its stakeholders that the requested Meeting Order be granted;

Stay Extension

(v) On March 21, 2014, the Applicants sought and obtained the Fourth Stay Extension Order extending the Stay Period until April 30, 2014;

(w) Since the issuance of the Fourth Stay Extension Order, the Applicants have been working in good faith and with due diligence 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;

(x) The Applicants require more time to hold the Meeting, seek Court sanction of the Plan and implement the Plan;

(y) The Applicants, with the assistance of the Monitor, have prepared updated cash flow projections for the period covering the Fifth Stay Extension, which show that the Applicants have sufficient resources to meet their post-filing obligations during such period;

(z) 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 in the Initial Order) all support the Fifth Stay Extension;

General

(aa) The provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 as amended;

(bb) Rules 2.03, 3.02, 16, and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and

(cc) Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

(a) The Aziz Affidavit and the Exhibits attached thereto;

(b) The Sixth Report; and

(c) Such further and other material as counsel may advise and this Court may permit.

April 17, 2014

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TO: The Attached Service List

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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
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Proceeding commenced at Toronto

NOTICE OF MOTION (PLAN FILING AND CREDITORS' MEETING)

(Returnable April 23, 2014)

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TAB 2

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

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

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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.

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[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.

Commissioner for Taking Affidavits
Andrea E. Campbell

WILLIAM E. AZIZ

TAB A

This is Exhibit **"A"** to the Affidavit of William E. Aziz,
sworn before me this 16th day of April, 2014

A Campbell

Commissioner for Taking Affidavits

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE 30TH
	)	
JUSTICE NEWBOULD	)	DAY OF SEPTEMBER, 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

INITIAL ORDER

THIS APPLICATION, made by Data & Audio-Visual Enterprises Holdings Inc., Data & Audio-Visual Enterprises Wireless Inc. and 8440522 Canada Inc. (collectively, the "Applicants"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of William E. Aziz sworn September 29, 2013 and the Exhibits thereto (the "Aziz Affidavit"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants, Ernst & Young Inc. (as the proposed Monitor), the Ad Hoc Committee of Noteholders (as defined in the Aziz Affidavit), the DIP Lenders (as defined in the Aziz Affidavit), The Catalyst Capital Group Inc., and Equity Financial Trust Company, no one else appearing although duly served as appears from the affidavit of service of Evan Cobb sworn September 30, 2013 and on reading the consent of Ernst & Young Inc. to act as the Monitor,

, QCP CW S.A.R.L.

SERVICE

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

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicants are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of its business (the "Business") and Property. The Applicants shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel, including counsel to any board of directors of the Applicants, and such other persons (collectively "Assistants") currently retained or employed by any of them, with liberty to retain, subject to the prior approval of the Chief Restructuring Officer, such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the Applicants shall be entitled to continue to utilize the cash management systems currently in place with, among others, National Bank, TIO Networks Corp., and Chase Paymentech Solutions ("Paymentech") as described in the Aziz Affidavit or, with the consent of the DIP Lenders, replace those systems with other substantially similar central cash management systems (the "Cash Management System") and that any present or future bank providing the Cash Management System shall not be under any obligation

whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. THIS COURT ORDERS that, subject to the terms and conditions of the DIP Loan Agreement, including the applicable terms therein that refer to the cash flow forecast approved by the DIP Lenders pursuant to the DIP Loan Agreement (the "Cash Flow Forecast"), the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

(a) all outstanding and future wages, salaries, commissions, employee benefits, vacation pay (excluding any severance or termination payments without the consent of the Chief Restructuring Officer (as defined below) and the DIP Lenders) and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

(b) any amounts owing to Dealers (as such term is defined in the Aziz Affidavit) and incurred in the ordinary course of business and consistent with existing Dealer compensation policies and arrangements, subject to the prior approval of the Chief Restructuring Officer; and

(c) the reasonable fees and disbursements of any Assistants retained or employed by an Applicant in respect of these proceedings, at their standard rates and charges, subject to the prior approval of the Chief Restructuring Officer.

7. THIS COURT ORDERS that the Applicants shall be authorized but not required to continue to perform and provide services for which customers of any of the Applicants prepaid prior to the date of this Order in the ordinary course.

8. THIS COURT ORDERS that, subject to the terms and conditions of and availability under the DIP Loan Agreement, including the applicable terms therein that refer to the Cash Flow Forecast, and except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services, subject to the prior approval of the Chief Restructuring Officer; and

(b) payment for goods or services actually supplied to the Applicants following the date of this Order.

9. THIS COURT ORDERS that the Applicants shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the

Applicants, subject to the prior approval of the Chief Restructuring Officer.

10. THIS COURT ORDERS that until a real property lease is disclaimed in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicants and the landlord from time to time ("Rent"), for the period commencing from and including the date of this Order, monthly in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

11. THIS COURT ORDERS that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by any of the Applicants to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their respective Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

12. THIS COURT ORDERS that the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:

(a) permanently or temporarily cease, downsize or shut down any of their business or operations, and to dispose of redundant or non-material assets not exceeding $500,000 in any one transaction or $2,000,000 in the aggregate, subject to the prior approval of the Chief Restructuring Officer.

(b) terminate the employment of such of their employees as they deem appropriate, subject to the prior approval of the Chief Restructuring Officer;

(c) disclaim, in whole or in part, with prior consent of the Monitor and the DIP Lenders or further Order of the Court, such of their arrangements or agreements, whether oral or written, as the Applicants deem appropriate, in accordance with Section 32 of the CCAA, with such disclaimers to be on such terms as may be agreed upon between the Applicants and such counter-parties, or failing such agreement, with the consequences thereof to be dealt with in the Plan; and

(d) pursue all avenues of refinancing and offers for material parts of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing or sale,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "Restructuring").

13. THIS COURT ORDERS that an Applicant shall provide each of the relevant landlords with notice of that Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the applicable Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the applicable Applicant, or by further Order of this Court upon application by the Applicants on at least two (2) days notice to such landlord and any such secured creditors. If an Applicant disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to that Applicant's claim to the fixtures in dispute.

14. THIS COURT ORDERS that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against an Applicant in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicants of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

15. THIS COURT ORDERS that until and including October 30, 2013, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect of any of the Applicants, the Monitor, the DIP Lenders, the holders of the Bridge Notes (in such capacities, the "Bridge Lenders") or Equity Financial Trust Company (in its capacity as Trustee and Collateral Agent under the Bridge Notes, the DIP Facility and the First Lien Notes (as such term is defined in the Aziz Affidavit)) (in such capacity, the "Trustee") or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court. This Paragraph 15 shall apply to Proceedings commenced or continued against or in respect of the Trustee, DIP Lenders or the Bridge Lenders solely to the extent that such Proceedings relate to the DIP Lenders' or the Bridge Lenders' lending arrangements with the Applicants.

NO EXERCISE OF RIGHTS OR REMEDIES

16. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of any of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicants to carry on any business which the Applicants are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

17. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by any of the Applicants, except with

the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

18. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with any of the Applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, including without limitation National Bank and Paymentech, TIO Networks Corp., payroll services, insurance, transportation services, utility or other services to the Business or any of the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by any of the Applicants, and that the Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the applicable Applicant in accordance with normal payment practices of that Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

19. THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to any of the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

20. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of any of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of any of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such

obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

21. THIS COURT ORDERS that each Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of that Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

22. THIS COURT ORDERS that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall not exceed an aggregate amount of $550,000, as security for the indemnity provided in paragraph 21 of this Order. The Directors' Charge shall have the priority set out in paragraphs 53 and 55 herein.

23. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) an Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 21 of this Order.

APPOINTMENT OF MONITOR

24. THIS COURT ORDERS that Ernst & Young Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

25. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and

obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicants' receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(c) assist the Applicants, to the extent required by the Applicants, in its dissemination, to the DIP Lenders and its counsel at the times required under the DIP Loan Agreement (as such term is defined in the Aziz Affidavit) of financial and other information as agreed to between the Applicants and the DIP Lenders which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lenders;

(d) advise the Applicants in its preparation of the Applicants' cash flow statements and reporting required by the DIP Lenders, which information shall be reviewed with the Monitor and delivered to the DIP Lenders and their counsel on a periodic basis at the times required in the DIP Loan Agreement, or as otherwise agreed to by the DIP Lenders;

(e) advise the Applicants in their development of the Plan and any amendments to the Plan;

(f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

(g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;

(h) assist the Applicants, to the extent required by the Applicants, with their restructuring activities and/or any sale of the Property and the Business or any part thereof;

(i) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(j) perform such other duties as are required by this Order or by this Court from time to time.

26. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

27. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

28. THIS COURT ORDERS that the Monitor shall provide any creditor of an Applicant and the DIP Lenders with information provided by that Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by any of the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

29. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or

obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

30. THIS COURT ORDERS that, subject to the terms and conditions of and availability under the DIP Loan Agreement, including the applicable terms therein that refer to the Cash Flow Forecast, and the prior approval of the Chief Restructuring Officer (i) the Monitor, counsel to the Monitor, counsel to the Applicants, counsel to the DIP Lenders and the Ad Hoc Committee of Noteholders, and the Trustee shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings; and (ii) the Financial Advisors and the Chief Restructuring Officer (each as defined in the Aziz Affidavit) shall be paid their reasonable fees and disbursements, in each case in accordance with the terms of the Engagement Letters (as defined in the Aziz Affidavit). The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, counsel for the Applicants and counsel for the DIP Lenders and the Ad Hoc Committee of Noteholders on a weekly basis, or on such basis as otherwise agreed by the Applicants and the applicable payee. The Applicants are hereby authorized and directed to pay amounts owing to the Chief Restructuring Officer in accordance with the terms of its Engagement Letter monthly in advance.

31. THIS COURT ORDERS that if requested by the Applicants, the DIP Lenders, or this Court, the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

32. THIS COURT ORDERS that the Monitor, counsel to the Monitor, if any, the Applicants' counsel, counsel for the DIP Lenders and the Ad Hoc Committee of Noteholders, the Financial Advisors, the Chief Restructuring Officer and counsel to any board of directors of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of $10,000,000, as security for their professional fees and disbursements incurred (i) at the standard rates and charges of the Monitor and such counsel both before and after the making of this Order in respect of these proceedings; or (ii) as prescribed in the Engagement Letters in the case of the Financial Advisors and the Chief Restructuring Officer. The Administration Charge shall have

the priority set out in paragraphs 53 and 55 hereof.

APPROVAL OF FINANCIAL ADVISORS' ENGAGEMENT

33. THIS COURT ORDERS that the Applicants are authorized to continue the engagement of the Financial Advisors on the terms and conditions set out in the FA Engagement Letters (as such term is defined in the Aziz Affidavit).

34. THIS COURT ORDERS that the FA Engagement Letters be and are hereby ratified and confirmed and the Applicants are authorized to perform their obligations thereunder.

35. THIS COURT ORDERS that any obligations of the Applicants under the FA Engagement Letters, whether for payment of fees, expenses, indemnities or otherwise, shall be entitled to the benefit of the Administration Charge.

36. THIS COURT ORDERS that any claims of the Financial Advisors under the FA Engagement Letters shall be treated as unaffected in any Plan.

APPOINTMENT OF CHIEF RESTRUCTURING OFFICER

37. THIS COURT ORDERS that the Applicants are authorized to continue the engagement of BlueTree Advisors II Inc. as Chief Restructuring Officer (in such capacity, the "Chief Restructuring Officer") on the terms and conditions set out in the CRO Engagement Letter (as such term is defined in the Aziz Affidavit).

38. THIS COURT ORDERS that the CRO Engagement Letter be and is hereby ratified and confirmed and the Applicants are authorized to perform their obligations thereunder.

39. THIS COURT ORDERS that any obligations of the Applicants under the CRO Engagement Letter, whether for payment of fees, expenses, indemnities or otherwise, shall be entitled to the benefit of the Administration Charge.

40. THIS COURT ORDERS that any claims of the Chief Restructuring Officer under the CRO Engagement Letter shall be treated as unaffected in any Plan.

DIP FINANCING

41. THIS COURT ORDERS that the Applicants are hereby authorized and empowered to

obtain and borrow under a credit facility (the "DIP Facility") from the DIP Lenders in order to finance the Applicants' working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under the DIP Facility shall not exceed the amounts prescribed in the DIP Loan Agreement.

42. THIS COURT ORDERS that the DIP Facility shall be on the terms and subject to the conditions set forth in the DIP Loan Agreement.

43. THIS COURT ORDERS that the DIP Facility and the DIP Loan Agreement be and are hereby approved.

44. THIS COURT ORDERS that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "Definitive Documents"), as are contemplated by the DIP Loan Agreement or as may be reasonably required by the DIP Lenders pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lenders under and pursuant to the DIP Loan Agreement and the other Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

45. THIS COURT ORDERS that the DIP Lenders shall be entitled to the benefit of and are hereby granted a charge (the "**DIP Lenders' Charge**") on the Property as security for any and all obligations of the Applicants under the DIP Loan Agreement and the Definitive Documents (including on account of principle, interest, fees, expenses and other liabilities) (the aggregate of all such obligations being the "**DIP Indebtedness**"), which DIP Lenders' Charge shall be in the aggregate amount of the DIP Indebtedness outstanding at any given time. The DIP Lenders' Charge shall not secure an obligation that exists before this Order is made. The DIP Lenders' Charge shall have the priority set out in paragraphs 53 and 55 hereof.

46. THIS COURT ORDERS that, notwithstanding any other provision of this Order:

(a) the DIP Lenders may take such steps from time to time as they may deem necessary or appropriate to file, register, record or perfect the DIP Lenders' Charge or any of the Definitive Documents;

(b) upon the occurrence of an event of default under the DIP Loan Agreement, the Definitive Documents or the DIP Lenders' Charge (A) the DIP Lenders may cease making advances to the Applicants, (B) the DIP Lenders may (i) set off and/or consolidate any amounts owing by the DIP Lenders to the Applicants against the obligations of the Applicants to the DIP Lenders under the DIP Loan Agreement, the Definitive Documents, or the DIP Lenders' Charge and make demand, accelerate payment and give other notices, and (ii) following an Order of the Court, granted on 5 days' notice to the Applicants and the Monitor, exercise any and all of their respective rights and remedies against the Applicants or the Property under or pursuant to the DIP Loan Agreement, the Definitive Documents, the DIP Lenders' Charge, or the *Personal Property Security Act* of Ontario or any other applicable jurisdiction, including without limitation, to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants;

(c) the foregoing rights and remedies of the DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property; and

(d) notwithstanding any other provision hereof, the DIP Lenders shall not take any steps to enforce their security granted in connection with DIP Loan Agreement or the Definitive Documents without prior approval of the Court.

47. THIS COURT ORDERS AND DECLARES that the DIP Lenders shall be treated as unaffected in any plan of arrangement or compromise filed by any of the Applicants under the CCAA, or any proposal (the "Proposal") filed by any of the Applicants under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.

48. THIS COURT ORDERS that the obligations under ~~the Bridge Notes,~~ the DIP Loan Agreement and the Definitive Documents shall be treated as unaffected by any Plan or any Proposal and the Applicants shall not file a Plan in these proceedings or any Proposal that does not provide for the indefeasible payment in full in cash of the obligations outstanding in respect of ~~the Bridge Notes,~~ the DIP Loan Agreement and the Definitive Documents as a pre-condition

to the implementation of any such Plan.

49. THIS COURT ORDERS that, subject to the terms of this Order, including without limitation paragraph 11, the Applicants are hereby authorized and empowered to take all steps and actions in respect of, and comply with all of their obligations pursuant to, the Bridge Notes and such other agreements, security documents, guarantees and other definitive documents as executed in connection with the Bridge Notes.

KEY EMPLOYEE RETENTION PLAN

50. THIS COURT ORDERS that the payments to be made pursuant to the Key Employee Retention Plan (as such terms are defined in the Aziz Affidavit) as described in the supplemental employment agreements of the Key Employees (as such term is defined in the Aziz Affidavit), which are attached as confidential exhibits to the Aziz Affidavit, are hereby approved and the Applicants are authorized and directed to make payments in accordance with the terms of such supplemental employment agreements.

51. THIS COURT ORDERS that the Key Employees shall be entitled to the benefit of and are hereby granted a charge (the "**KERP Charge**") on the Property, which charge shall not exceed an aggregate amount of $600,000, to secure the amounts payable to the Key Employees pursuant to paragraph 50 of this Order.

52. THIS COURT ORDERS that the KERP Charge shall have the priority set forth in paragraphs 53 and 55.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

53. THIS COURT ORDERS that the priorities of the Directors' Charge, the Administration Charge, the DIP Lenders' Charge, and the KERP Charge as among them and relative to the liens securing the obligations under the First Lien Notes and the Bridge Notes, shall be as follows:

(a) First, liens securing obligations under the First Lien Notes and the First Lien Notes Indenture (as defined in the Aziz Affidavit) (collectively, the "First Lien Notes Liens");

(b) Second, the Administration Charge and the KERP Charge on a *pari passu* basis;

(c) Third, the Directors' Charge;

(d) Fourth, the DIP Lenders' Charge and the liens securing the obligations under the Bridge Notes, on a *pari passu* basis.

54. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge, the Administration Charge, the KERP Charge or the DIP Lenders' Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

55. THIS COURT ORDERS that each of the Directors' Charge, the Administration Charge, the KERP Charge and the DIP Lenders' Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person with the exception of the First Lien Notes Liens and the Encumbrances ranking in priority to the First Lien Notes Liens.

56. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, the Administration Charge or the DIP Lenders' Charge, unless the Applicants also obtain the prior written consent of the Monitor, the DIP Lenders and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

57. THIS COURT ORDERS that the Directors' Charge, the Administration Charge, the KERP Charge, the Definitive Documents and the DIP Lenders' Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") and/or the DIP Lenders thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of

Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Loan Agreement or the Definitive Documents shall create or be deemed to constitute a breach by an Applicant of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from an Applicant entering into the DIP Loan Agreement, the creation of the Charges, or the execution, delivery or performance of the other Definitive Documents; and

(c) the payments made by the Applicants pursuant to this Order, the DIP Loan Agreement or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

58. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in an Applicant's interest in such real property leases.

59. THIS COURT ORDERS that the deposit accounts held by Paymentech and containing cash collateral pledged to Paymentech in an amount not to exceed $1,200,000 shall be excluded from the DIP Lenders' Charge, the Administration Charge, the KERP Charge and the Directors' Charge and shall be held as security for any Chargebacks (as such term is defined in the Select Merchant Application and Agreement dated as of April 16, 2010 between Wireless and Paymentech) arising after the date of this Order.

SERVICE AND NOTICE

60. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in the Globe & Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner

prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against an Applicant of more than $1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder. The list included in subparagraph (C) above shall not include the names, addresses or estimated amounts of the claims of those creditors who are individuals or any personal information in respect of an individual.

61. THIS COURT ORDERS that the Applicants and the Monitor be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

62. THIS COURT ORDERS that the Applicants, the Monitor, the DIP Lenders, the Ad Hoc Committee of Noteholders and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor may post a copy of any or all such materials on its website at www.ey.com/ca/mobilicity.

SEALING OF CONFIDENTIAL EXHIBITS

63. THIS COURT ORDERS that Confidential Exhibits "K", "L" and "W" through "DD" be and are hereby sealed pending further Order of the Court and shall not form part of the public record.

GENERAL

64. THIS COURT ORDERS that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

65. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting

as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of an Applicant, the Business or the Property.

66. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

67. THIS COURT ORDERS that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

68. THIS COURT ORDERS that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order; provided, however, that the DIP Lenders shall be entitled to rely on this Order as issued for all advances made under the DIP Loan Agreement and Definitive Documents up to and including the date this Order may be varied or amended.

69. THIS COURT ORDERS that, notwithstanding the immediately preceding paragraph, no order shall be made varying, rescinding or otherwise affecting the provisions of this Order with respect to the DIP Loan Agreement and the Definitive Documents, including, without limitation, Paragraphs 42 to 49, and 53 to 58, inclusive, unless notice of a motion is served on the Monitor, the Applicants and the DIP Lenders, returnable no later than October ~~8~~, 2013.
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70. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

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

SEP 3 0 2013

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

Court File No:

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

INITIAL ORDER

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Lawyers for the Applicants

DOCSTOR: 2824745\1

TAB B

This is Exhibit **"B"** to the Affidavit of William E. Aziz,
sworn before me this 16th day of April, 2014

A Campbell

Commissioner for Taking Affidavits

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 1 3 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

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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;

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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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Lawyers for the Applicants

DOCSTOR: 2805783\3

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TAB C

This is Exhibit **"C"** to the Affidavit of William E. Aziz,
sworn before me this 16th day of April, 2014

A Capbell

Commissioner for Taking Affidavits

Execution Version

AMENDED AND RESTATED SUPPORT AGREEMENT

THIS AMENDED AND RESTATED SUPPORT AGREEMENT is made as of April 29, 2011,

BETWEEN:

EQUITY FINANCIAL TRUST COMPANY, a trust company incorporated under the federal Laws of Canada having an office in the City of Toronto, in the Province of Ontario (hereinafter called the "**Debenture Trustee**"),

- and -

QCP CW S.A.R.L., a société à responsabilité limitée organized under the laws of Luxembourg (hereinafter called "**Quadrangle**"),

WHEREAS DAVE (as defined below) has issued certain Convertible Debentures (as defined below) to Quadrangle pursuant to the Amended and Restated Commitment Agreement (as defined below);

AND WHEREAS DAVE has entered into an amended and restated trust indenture as of the date hereof (the "**Trust Indenture**") with the Debenture Trustee in respect of the issuance of Debentures;

AND WHEREAS Quadrangle has agreed to support any Approved Plan (as defined below) in accordance with the terms and conditions provided in this Agreement; and

AND WHEREAS the Debenture Trustee and Quadrangle entered into a support agreement (the "**Prior Agreement**") dated as of the 17th day of December, 2009 which they wish to amend and restate as follows:

NOW THEREFORE, in consideration of the premises and the covenants and agreements herein contained, the receipt and sufficiency of which are hereby mutually acknowledged, the parties agree as follows:

ARTICLE 1
INTERPRETATION

1.01 Definitions

Terms and expressions used in this Agreement that are defined in the Trust Indenture and are not otherwise defined herein have the same meaning herein as in the Trust Indenture. In this Agreement:

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(a) **"Agreement"** means this Amended and Restated Support Agreement and all instruments supplemental to or in amendment or confirmation of this Agreement;

(b) **"Amended and Restated Commitment Agreement"** means the Second Amended and Restated Commitment Agreement dated as of April 29, 2011 among Quadrangle, DAVE and Data & Audio-Visual Enterprises Investments Inc.;

(c) **"Approved Plan"** means a Plan which has been approved by a majority of the Debentureholders voting at a meeting of Debentureholders called to consider such Plan; provided that (i) such Plan shall provide that the holders of Convertible Debentures and Debentures shall be treated equally in all material respects, including without limitation, by providing for them to receive the same consideration thereunder (subject only to differences to account for different amounts of indebtedness on a pro rata basis), and (ii) no holder of Debentures shall receive or obtain any collateral benefit or other consideration in connection with the Plan not made available to the holders of Convertible Debentures on the same basis, including without limitation any right to subscribe for equity or other securities in connection with a Plan;

(d) **"Convertible Debentures"** means any debentures or other similar debt instruments issued to Quadrangle or its Affiliates by DAVE including any debentures issued under the Amended and Restated Commitment Agreement;

(e) **"DAVE"** means Data & Audio-Visual Enterprises Holdings Inc., a corporation incorporated under the Laws of Ontario and having its head office in the City of Toronto, in the Province of Ontario;

(f) **"Insolvency Laws"** means any of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), and the Winding-Up and *Restructuring Act* (Canada), each as now and hereafter in effect, any successors to such statutes and any other applicable insolvency or other similar law of any jurisdiction, including any law of any jurisdiction permitting a debtor to obtain a stay or a compromise of the claims of its creditors against it;

(g) **"Plan"** means any settlement offer, acquisition proposal, plan, arrangement or other similar proposal filed or to be filed under Insolvency Laws in respect of DAVE; and

(h) **"Transfer"** means to directly or indirectly (i) sell, pledge, assign, hypothecate, encumber, grant and option with respect to, transfer or dispose of any participation interest (voting or otherwise) in or (ii) enter into an agreement, commitment or other arrangement to sell, pledge, assign, hypothecate, encumber grant an option with respect to, transfer or dispose of any participation or interest (voting or otherwise) in, or the act thereof.

1.02 Construction

In this Agreement, unless otherwise expressly stated or unless the context otherwise requires:

(a) references to a "party" or "parties" are references to a party or parties to this Agreement, and references to "herein", "hereby", "hereunder", "hereof" and similar expressions are references to this Agreement and not to any particular Section, subsection or schedule;

(b) references to an "Article", "Section", "subsection", "clause" or "Schedule" are references to an Article, section, subsection, clause or Schedule of or to this Agreement;

(c) words importing the singular shall include the plural and vice versa, words importing gender shall include the masculine, feminine and neuter genders, and references to a "person" or "persons" shall include individuals, corporations, partnerships, associations, bodies politic and other entities, all as may be applicable in the context;

(d) the use of headings is for convenience of reference only and shall not affect the construction or interpretation hereof;

(e) whenever the words "include", includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import;

(f) a reference to a statute includes all regulations and rules made pursuant to such statute and, unless otherwise specified, the provisions of any statute, regulation or rule which amends, supplements or supersedes any such statute, regulation or rule;

(g) in the event that any date on which any action is required to be taken hereunder by any of the parties is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day; and

(h) the recitals and the schedules attached to this Agreement are hereby incorporated by reference in this Agreement and form part hereof.

ARTICLE 2
QUADRANGLE'S OBLIGATIONS TO SUPPORT THE PLAN

2.01 Quadrangle's Support

Quadrangle hereby agrees, for so long as this Agreement is in effect and has not been terminated in accordance with the terms hereof:

(a) to vote (or cause to be voted) all of its Convertible Debentures in favour of the approval, consent, ratification and adoption of the Approved Plan (and any actions required in furtherance thereof), to the extent such an Approved Plan exists, and not to withdraw or revoke such vote unless and until this Agreement is terminated in accordance with its terms;

(b) not to Transfer any of the Convertible Debentures held by it, in whole or in part, unless the transferee agrees in writing to be bound by the terms of this Agreement. In the event that Quadrangle Transfers any of the Convertible Debentures, as a condition precedent to such Transfer, Quadrangle agrees to cause the transferee to execute and deliver a joinder agreement in customary form confirming the agreement of such transferee to be bound by the terms of this Agreement for so long as this Agreement shall remain in effect. Any Transfer of the Convertible Debentures in violation of the foregoing shall be deemed ineffective to Transfer any right to accept or reject the Plan;

(c) not to vote for, consent to, propose or provide any support for any Plan, other than the Approved Plan only to the extent an Approved Plan does exist; and

(d) if there is an Approved Plan, not to take any action directly or indirectly for the purpose of delaying, preventing, frustrating or impeding acceptance, confirmation or implementation of the Approved Plan or to take any action prohibited in this Agreement.

2.02 Additional Obligations of Quadrangle

Quadrangle hereby agrees, for so long as this Agreement is in effect and has not been terminated in accordance with the terms hereof, if an Approved Plan exists to:

(a) support the approval of the Approved Plan and support the sanctioning thereof by any applicable court as promptly as practicable; and

(b) execute any and all documents and perform any and all commercially reasonable acts required by this Agreement to satisfy all of its obligations hereunder.

2.03 Limitation

For greater certainty, Section 2.01 and Section 2.02 apply to restrict the exercise by Quadrangle of its rights as a holder of Convertible Debentures and shall not in any way restrict the exercise of any other rights it may have including any rights as a holder of equity securities of DAVE.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.01 Representations and Warranties of Quadrangle

Quadrangle represents and warrants to the other parties to this Agreement that:

(a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and has all requisite corporate, partnership or other power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement;

(b) the execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary corporate, partnership or other action on its part;

(c) the execution, delivery and performance by it of this Agreement do not and shall not:

(i) violate any provision of law, rule or regulation applicable to it or any of its affiliates or its certificate of incorporation or bylaws or other organizational documents or those of any of its subsidiaries; or

(ii) conflict with, result in the breach of or constitute (with due notice or lapse of time or both) a default under any material contractual obligations to which it or any of its affiliates is a party or under its certificate of incorporation, bylaws or other governing instruments;

(d) the execution, delivery and performance by it of this Agreement do not and shall not require any registration or filing with, the consent or approval of, notice to, or any other action with respect to, any Governmental Entity or regulatory body;

(e) assuming the due execution and delivery of this Agreement by each of the other parties, this Agreement is a legally valid and binding obligation of it, enforceable against it in accordance with its terms, subject to laws of general application and bankruptcy, insolvency and other similar laws affecting creditors' rights generally and general principles of equity; and

(f) to the best of the party's knowledge after due inquiry of relevant personnel, there is no proceeding, claim or investigation pending before any Governmental Entity, or threatened against the party or any of its assets that, individually or in the aggregate, could reasonably be expected to have an adverse effect on the party's ability to execute and deliver this Agreement and consummate the transactions contemplated by this Agreement.

3.02 Additional Representations and Warranties of Quadrangle

Quadrangle further represents and warrants to the other signatories to this Agreement that:

(a) as of the date of this Agreement, it is the beneficial owner of the Convertible Debentures as described in the Amended and Restated Commitment Agreement and no other Convertible Debentures are outstanding as of this date;

(b) it is a sophisticated party with sufficient knowledge and experience to evaluate the terms and conditions of this Agreement; and

(c) as of the date of this Agreement, it is not aware of any event that, due to any fiduciary or similar duty to any other Person, would prevent it from taking any action required of it under the terms of this Agreement.

ARTICLE 4
TERMINATION

4.01 Termination Events

Each party shall have the right upon notice to the other party to terminate this Agreement and the obligations of the parties hereunder upon the any of the following to occur:

(a) the Convertible Debentures shall have been paid in full by DAVE;

(b) the Debentures shall have been paid in full and final satisfaction and all of the documents under the Trust Indenture shall have been terminated as confirmed in writing by the Debenture Trustee; or

(c) an agreement in writing executed by all the parties.

Each party shall be responsible and remain liable for any breach of this Agreement by such party that occurs prior to the termination of this Agreement.

4.02 Effect of Termination

Upon termination of this Agreement, this Agreement shall be of no further force and effect and each party shall be released from its commitments, undertakings, and agreements under or related to this Agreement and each party shall have the rights and remedies that it would have had available to it had it not entered into this Agreement, and shall be entitled to take all actions, whether with respect to the restructuring or otherwise, that it would have been entitled to take had it not entered into this Agreement.

ARTICLE 5
GENERAL

5.01 Further Assurances

Each of the Debenture Trustee, upon the advice of counsel, and Quadrangle will from time to time execute and deliver all such further information, documents and instruments as another party may reasonably require to consummate or confirm the transactions provided for in this Agreement, to accomplish the purpose of this Agreement or to assure to the other parties the benefits of this Agreement and, in the event the Approved Plan becomes effective, to document or evidence any of the transactions or events set out in the Approved Plan. Each of the Debenture Trustee, upon the advice of counsel, and Quadrangle agrees to negotiate and develop any such documents or instruments as may be reasonably required in a good faith manner consistent with the intent of this Agreement.

5.02 Time of Essence

Any date, time or period referred to in this Agreement shall be of the essence, except to the extent to which the parties agree in writing to vary any date, time or period, in which event the varied date, time or period shall be of the essence.

5.03 Benefit of the Agreement

This Agreement will enure to the benefit of and be binding upon the respective heirs, executors, administrators, other legal representatives, successors and permitted assigns of the parties.

5.04 Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes the Prior Agreement.

5.05 Severability

If any provision of this Agreement is determined by any court of competent jurisdiction to be illegal or unenforceable, that provision will be severed from this Agreement and the remaining provisions will continue in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any of the parties.

5.06 Amendments and Waivers

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same, and unless otherwise provided, will be limited to the specific breach waived. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise.

5.07 Assignment

Neither this Agreement nor any of the rights, interests or obligations contemplated hereunder may be assigned by any party, in whole or in part (whether by operation of law or otherwise), except that this Agreement and any of the rights and obligations under it may be assigned by Quadrangle as set forth and to the extent permitted under Section 2.01(b) or (ii) the Debenture Trustee, on notice to Quadrangle and provided that such party shall remain bound by the provisions of this Agreement.

5.08 Notices

Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery or by electronic means of communication addressed to the recipient as follows:

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(i) <u>To the Debenture Trustee:</u>

200 University Avenue
Suite 400
Toronto, ON M5H 4H1

Attention: Corporate Trust

(ii) <u>To Quadrangle:</u>

QCP CW S.A.R.L.
412F route d'Esch
L-1030 Luxembourg
Grand-Duchy of Luxembourg

Attention: Luca Gallinelli
Facsimile: (011) 352-471101

with a copy to:

Quadrangle Capital Partners
375 Park Avenue
New York, N.Y. 10152

Attention: Michael Huber
Facsimile: (212) 418-1724
E-mail:Michael.Huber@quadranglegroup.com

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

McCarthy Tétrault
Suite 5300, TD Bank Tower
Toronto Dominion Centre
Toronto, ON
M5K 1E6

Attention: Andrew Armstrong
Facsimile: (416) 601-8310
E-mail:aarmstro@mccarthy.ca

or to such other street address, individual or electronic communication number or address as may be designated by notice given by any party to the other parties. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the second Business Day following the deposit thereof in the mail and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day. If the party giving any demand, notice or other communication knows or ought reasonably to know of any difficulties with the postal system that might affect the delivery of mail, any such demand, notice or other communication may not be mailed but must be given by personal delivery or by electronic communication.

5.09 **Remedies Cumulative**

The right and remedies of the parties hereunder are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled.

5.10 **No Third Party Beneficiaries**

This Agreement is not intended to confer any rights or remedies upon any other Person than the parties to this Agreement and the Debentureholders.

5.11 **Governing Law**

This Agreement is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

5.12 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument.

5.13 **Electronic Execution**

Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of the Agreement by such party.

[Remainder of the page left blank intentionally.]

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IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

EQUITY FINANCIAL TRUST COMPANY

Per: ______________________
Name: Kathy Thorpe
Title: Senior Trust Officer

Per: ______________________
Name:
Title:

QCP CW S.A.R.L

Per: ______________________
Name:
Title:

15962975

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IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

EQUITY FINANCIAL TRUST COMPANY

Per: ______________________
Name:
Title:

Per: ______________________
Name:
Title:

QCP CW S.A.R.L

Per: ______________________
Name:
Title:

5062975

TAB D

This is Exhibit **"D"** to the Affidavit of William E. Aziz,
sworn before me this 16th day of April, 2014

A Campbell

Commissioner for Taking Affidavits

SUBJECT: Data & Audio-Visual Enterprises Holdings Inc. and Data & Audio-Visual Enterprises Wireless Inc. (collectively "Mobilicity")
15% Senior Unsecured Debentures due September 25, 2018
CUSIP: CA237576-AA1-0

As you are aware, in September 2013 Mobilicity applied for and received court protection under the *Companies' Creditors Arrangement Act* ("**CCAA**") to facilitate the restructuring of its business and financial affairs.

CDS Clearing and Depository Services Inc. ("**CDS**") has been informed that in the near term Mobilicity intends to make a motion to the court supervising its CCAA proceedings for authorization to hold a meeting of its creditors for the purposes of voting on a plan of arrangement (the "**Plan**") that will involve the sale of Mobilicity's business. Mobilicity currently plans to seek court approval at a hearing on April 23, 2014 to hold the meeting on or about April 30, 2014.

If court approval is granted, beneficial noteholders wishing to vote at the meeting of creditors will be required to submit voting proxy forms, including proof of their holdings, directly to Ernst & Young Inc., the Court-appointed Monitor in Mobilicity's CCAA proceedings, 2 business days prior to the meeting. "Proof of holdings" for voting purposes at the meeting should include verification by the applicable Holder of Record that the amounts indicated on the voting proxy form are the amounts held as at April 15, 2014 by the beneficial noteholder with such Holder of Record, or other evidence satisfactory to the Monitor that the amounts so indicated are accurate.

As soon as Mobilicity receives the requested approval from the CCAA court:

- Beneficial noteholders will be able to download materials (including the Plan and proxy forms) from the Monitor's web site at www.ey.com/ca/mobilicity; and

- A reminder notice of the meeting, and of the Monitor's web site address from which beneficial noteholders can download materials, will be distributed by CDS to participant institutions.

If you require further information or clarification, please contact your CDS Account Manager.

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 8445022 CANADA INC., DATA & AUDIO-VISUAL ENTERPRISES WIRELESS INC. AND DATA & AUDIO-VISUAL ENTERPRISES HOLDINGS INC.

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

AFFIDAVIT OF WILLIAM E. AZIZ
(SWORN APRIL 16, 2014)

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

Orestes Pasparakis LSUC#: 36851T
Tel: (416) 216-4815
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Orestes.Pasparakis@nortonrosefulbright.com

Virginie Gauthier LSUC#: 41097D
Tel: (416) 216-4853
Email: Virginie.Gauthier@nortonrosefulbright.com

Marc Kestenberg LSUC#: 48932A
Tel: (416) 216-3977 / Fax:(416) 216-3930
Email: Marc.Kestenberg@nortonrosefulbright.com

Lawyers for the Applicants

DOCSTOR: 2971530\5B

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TAB 3

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	●DAY, THE ●
	)	
JUSTICE NEWBOULD	)	DAY OF ●, 2014

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

PLAN FILING AND CREDITORS' MEETING ORDER

THIS MOTION made by Data & Audio-Visual Enterprises Holdings Inc., Data & Audio-Visual Enterprises Wireless Inc., and 8440522 Canada Inc. (collectively, the "**Applicants**") for an Order:

(a) abridging the time for service of the Notice of Motion, Motion Record and the Sixth Report (as defined below), if necessary, and declaring that the motion is properly returnable today;

(b) establishing a process for the determination of Affected Unsecured Creditors' Affected Claims (as defined below) for voting purposes;

(c) authorizing the filing of the Plan (as defined below);

(d) approving the form of materials to be made available to Affected Unsecured Creditors (as defined below);

(e) approving the manner in which the Affected Unsecured Creditors were and are to be provided with notice of the Meeting and Meeting Materials (each as defined below);

(f) authorizing and establishing the procedure for the Applicants to call, hold and conduct a meeting of Affected Unsecured Creditors to consider and vote on the Plan (the "**Meeting**");

(g) providing for the return of the Applicants' motion for an order sanctioning the Plan if the Plan is approved by the Required Majorities (as defined below) (the "**Sanction Order**");

(h) providing for the return of the Applicants' motion for a determination on whether Section 11.3 of the *Companies' Creditors Arrangement Act* (the "**CCAA**") is applicable with respect to the Federal Crown and its agencies and in the affirmative, assigning and transferring the rights and obligations of the Applicants under the Mobilicity Spectrum Licences (as defined in the Aziz Affidavit, itself as defined below) to the Purchaser (whether directly or indirectly) pursuant to Section 11.3 of the CCAA and declaring that the Mobilicity Spectrum Licences and the Purchaser's rights and obligations thereunder cannot be cancelled, revoked or otherwise restricted as a result of such assignment and transfer (the "**Sale Transaction 11.3 Order**");

(i) extending the Stay Period, as such term is defined in the initial Order issued by this Court on September 30, 2013 (the "**Initial Order**"), as amended by Orders of this Court dated October 24, 2013, December 19, 2013, February 25, 2014 and March 21, 2014, up to and including June 30, 2014; and

(j) approving the fees and disbursements of the Monitor and its counsel and the Monitor's activities to date.

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

UPON READING the Notice of Motion, the Affidavit of William E. Aziz sworn

April 16, 2014 (the "**Aziz Affidavit**"), the sixth report of Ernst & Young Inc., in its capacity as Court-appointed Monitor (in such capacity, the "**Monitor**"), dated April ●, 2014 (the "**Sixth Report**"), 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 Andrea Campbell sworn April 17, 2014.

SERVICE

1. **THIS COURT ORDERS AND DECLARES** that the time for service of the Notice of Motion, the Motion Record and the Sixth Report herein be and is hereby abridged and validated so that the Motion is properly returnable today, and hereby dispenses with further service thereof.

DEFINITIONS

2. The following terms shall have the following meanings for the purposes of this Order:

   (a) "**Affected Unsecured Creditors**" shall have the meaning ascribed in paragraph 31 hereof;

   (b) "**Beneficial Noteholder**" means a beneficial owner of any Unsecured Senior Notes as at the Voting Record Date (or, if applicable, an investment advisor, manager or representative with voting discretion over the Unsecured Senior Notes owned by such beneficial owner), regardless of whether such beneficial owner is a Registered Noteholder;

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

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

   (e) "**Communications Agent**" means Broadridge Financial Solutions Inc., or such other investor communications firm as may be appointed by the Applicants, in consultation with the Monitor and counsel to the Consenting Noteholders;

(f) "**Holder of Record**" means a Person, other than CDS, who (a) is a CDS participant holder of Unsecured Senior Notes as at the Voting Record Date, or (b) is any other Registered Noteholder with respect to the Unsecured Senior Notes;

(g) "**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.

(h) "**Registered Noteholder**" means a holder of Unsecured Senior Notes who is the legal owner or holder of one or more Unsecured Senior Notes and whose name appears on the register maintained by the Trustee as of the Voting Record Date;

(i) "**Restructuring Voting Claim**" means a Restructuring Claim to the extent that such Restructuring Claim has been accepted by the Monitor;

(j) "**Service List**" means the list of counsel and other interested parties who have requested service of materials filed with the Court in this proceeding, as maintained by the Applicants and the Monitor;

(k) "**Trustee**" means Equity Financial Trust Company, in its capacity as indenture trustee for the Unsecured Senior Notes;

(l) "**Voting Record Date**" means April 15, 2014.

3. **THIS COURT ORDERS** that any capitalized terms not otherwise defined in this Order shall have the meanings ascribed to them in the Plan of Compromise or Arrangement of the Applicants dated April 17, 2014, attached as **Schedule "D"** to this Order (as it may be amended, amended and restated, modified or supplemented from time to time in accordance

with its terms, the "**Plan**").

FILING OF THE PLAN

4. **THIS COURT ORDERS** that the Applicants are hereby authorized to file the Plan, to present the Plan to the Affected Unsecured Creditors at the Meeting for their consideration in accordance with the terms of this Order and to seek approval of the Plan in the manner set forth herein.

5. **THIS COURT ORDERS** that the Applicants be and are hereby authorized to amend, modify and/or supplement the Plan provided that any such amendment restatement, modification or supplement shall be made in accordance with Section 8.5 of the Plan.

CLASSIFICATION OF CREDITORS

6. **THIS COURT ORDERS** that for the purposes of considering and voting on the Plan, the affected claims of the Affected Unsecured Creditors (**"Affected Claims"**) shall be grouped into a single class, and such classification is hereby approved.

NOTICE OF MEETING AND MEETING MATERIALS

7. **THIS COURT ORDERS** that each of the following documents in substantially the forms attached to this Order as **Schedules "A"**, **"B"**, and **"C"**, respectively, are hereby approved:

(a) the notice of meeting (the "**Notice of Meeting**");

(b) the form of proxy to be used by Affected Unsecured Creditors other than in their capacity as Beneficial Noteholders (the "**Affected Unsecured Creditor Proxy**"); and

(c) the form of proxy to be used by Beneficial Noteholders of Unsecured Senior Notes (the "**Beneficial Noteholder Proxy**");

(collectively with this Order, the Plan, and the Sixth Report, the "**Meeting Materials**").

8. **THIS COURT ORDERS** that in order to effect notice of this Order, the Plan and the

Meeting to the Affected Unsecured Creditors and to any other Person entitled to notice thereof and in addition to the Advance Notice Steps (as defined below), the Monitor shall cause, upon the issuance of this Order:

(a) a copy of the Meeting Materials (and any amendments made thereto in accordance with paragraph 10 hereof) to be posted on the Monitor's website (www.ey.com/ca/mobilicity) (the "**Monitor's Website**"); and

(b) copies of the Meeting Materials to be delivered by express mail to (A) all Beneficial Noteholders as at the Voting Record Date as reflected on the "search list" of such Beneficial Noteholders generated by the Communications Agent (the "**Search List**"); (B) counsel to the Consenting Noteholders; (C) counsel to QCP CW S.A.R.L.; and (D) any Registered Noteholder in respect of Unsecured Senior Notes held outside of the CDS participant holding system.

9. **THIS COURT ORDERS** that, upon the issuance of this Order, the Applicants shall issue a press release announcing the issuance of this Order and providing notice of the Meeting.

10. **THIS COURT ORDERS** that, notwithstanding paragraph 7 above, the Applicants may, from time to time, make such minor changes to the Meeting Materials as the Applicants, in consultation with the Monitor and counsel to the Consenting Noteholders, consider necessary or desirable to conform the content thereof to the terms of the Plan or this Order, or to describe the Plan.

11. **THIS COURT ORDERS** that, as soon as practicable following receipt of a request therefor, the Monitor shall send by courier, personal delivery or email a copy of the Meeting Materials, to each Affected Unsecured Creditor who, no later than two (2) days prior to the Meeting (or any adjournment, postponement, or scheduling thereof), makes a written request to the Monitor for it.

12. **THIS COURT ORDERS** that the Monitor shall, as soon as practicable following the issuance of this Order, deliver the Meeting Materials (without the Beneficial Noteholder Proxy) by courier, personal delivery or email to each holder of a Restructuring Claim at the last known

address set out for such holder shown on the records of the Applicants (or in any other written notice that has been received by the Monitor in advance of such date regarding a change of address for such holders).

13. **THIS COURT ORDERS** that any accidental failure of, or omission by the Monitor to give notice of the Meeting or to distribute the Meeting Materials to any Person entitled by this Order to receive notice, or the non-receipt of such notice or Meeting Materials shall not constitute a breach of this Order, and shall not invalidate any resolution passed or proceedings taken at the Meeting, but if any such failure or omission is brought to the attention of the Monitor prior to the Meeting, then the Monitor shall use reasonable efforts to rectify the failure or omission by the method and in the time most reasonably practicable in the circumstances.

CLAIMS PROCEDURE

14. **THIS COURT ORDERS** that notwithstanding any other provision of this Order, Affected Unsecured Creditors are not required to file proofs of claim in respect of their Affected Claims. The process for determining an Affected Unsecured Creditor's Affected Claim for voting on the Plan is established by paragraphs 25 to 28 below. The process for determining an Affected Unsecured Creditor's Affected Claim for distribution purposes will be established by further Order of this Court.

NOTICE

15. **THIS COURT ORDERS** that the steps taken by the Applicants and the Monitor prior to the issuance of this Order to provide advance notice of the Applicants' Motion for this Plan Filing and Creditors Meeting Order, and the proposed Meeting, and Meeting Materials, as described in the Sixth Report (the "**Advance Notice Steps**"), are hereby approved, *nunc pro tunc*.

16. **THIS COURT ORDERS** that the Monitor's and the Applicants', as applicable, fulfillment of the notice, delivery and Monitor's Website posting requirements as well as the Advance Notice Steps, shall constitute good and sufficient notice of this Order, the Plan, the Notice of Meeting and the Meeting on all Persons who may be entitled to receive notice thereof in these

proceedings, or who may wish to be present in person or by proxy at the Meeting or in these proceedings, and no other form of notice need be made on such Persons and no other document or material need be delivered on such Persons in respect of these matters. Notice shall be effective, (a) in the case of express mailing two Business Days after the date of mailing; (b) in the case of service by courier, on the day after the courier was sent; and (c) in the case of service by fax, email, or Monitor's Website posting on the day the fax or email was transmitted, or the relevant information was posted on the Monitor's Website, unless such day is not a Business Day, or the fax or email transmission or Monitor's Website posting was made after 5:00 p.m. (Toronto time), in which case, on the next Business Day.

17. **THIS COURT ORDERS** that, to the extent that any provision in this Order contemplates that notice is to be provided or documents are to be delivered to the holders of the Unsecured Pari Passu Notes or the Unsecured Subordinated Notes, then the provision of such notice or delivery of documents to McCarthy Tetrault LLP, as counsel to QCP CW S.A.R.L, shall be deemed to be effective as notice or delivery of the same to the holders of the Unsecured Pari Passu Notes and the Unsecured Subordinated Notes.

18. **THIS COURT ORDERS** that, provided that the Monitor has received evidence satisfactory to it that Goodmans LLP, as counsel to the Consenting Noteholders, represents certain Beneficial Noteholders as at the Voting Record Date, then then the provision of notice or the delivery of documents to Goodmans LLP shall be deemed to be effective as notice or delivery of the same to those Beneficial Noteholders.

MONITOR'S ROLE

19. **THIS COURT ORDERS** that an officer of the Monitor shall preside as the chair of the Meeting (the "**Chair**") and shall decide all matters relating to the rules and procedures at, and the conduct of, the Meeting in accordance with the terms of the Plan, this Order and further Order of this Court. The Chair may adjourn the Meeting at his/her discretion, after consultation with the Applicants and counsel to the Consenting Noteholders.

20. **THIS COURT ORDERS** that, in addition to its prescribed rights and obligations under (i) the CCAA; (ii) the Initial Order; (iii) any other Order granted in these proceedings, the Monitor is

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hereby directed and empowered to take such other actions and fulfill such other roles as are authorized by this Order.

21. **THIS COURT ORDERS** that (i) in carrying out the terms of this Order, the Monitor shall have all of the protections given to it by the CCAA, the Initial Order, or as an officer of the Court, including the stay of proceedings in its favour; (ii) the Monitor shall incur no liability or obligation as a result of carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part; (iii) the Monitor shall be entitled to rely on the books and records of the Applicants and any information provided by the Applicants, CDS, the Trustee and the Communications Agent without independent investigation; and (iv) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

MEETING

22. **THIS COURT ORDERS** that the Applicants shall call, hold and conduct the Meeting on April 30, 2014 at the offices of Norton Rose Fulbright Canada LLP, Suite 3800, Royal Bank Plaza, South Tower, 200 Bay Street, Toronto, Ontario, M5J 2Z4 at 9:00 a.m. (Toronto time) (the "**Meeting Date**"), for the purposes of considering and voting on the Plan and transacting such other business as may be properly brought before the Meeting; provided, however, that the Applicants may, with the consent of the Monitor and of counsel to the Consenting Noteholders, select another date on which to hold the Meeting, or decide not to call, hold and conduct the Meeting. In the event that the Meeting Date is changed after the date of the issuance of this Order, or if the Meeting is cancelled, the Monitor shall post notice of the change of date or cancellation on the Monitor's Website and provide notice of the change of date or cancellation to the Service List.

ATTENDANCE AT MEETING

23. **THIS COURT ORDERS** that the only Persons entitled to notice of, attend or speak at the Meeting are the Affected Unsecured Creditors (or their respective proxy holders), representatives of the Applicants, the Monitor, the Trustee, the legal counsel of any of the foregoing, counsel to the Consenting Noteholders, the Chair, Scrutineers and the Secretary (as

defined below). Any other Person may be admitted to the Meeting only by invitation of the Applicants or the Chair.

24. **THIS COURT ORDERS** that an Affected Unsecured Creditor that is not an individual may only attend and vote at the Meeting if it has appointed a proxyholder to attend and act on its behalf at the Meeting.

AFFECTED CLAIMS FOR VOTING PURPOSES

25. **THIS COURT ORDERS** that for the purposes of voting at the Meeting, each Beneficial Noteholder shall be entitled to one vote, which vote shall have a value equal to the principal and accrued interest owing under the Unsecured Senior Notes beneficially owned by such Beneficial Noteholder as at the Voting Record Date. For greater certainty, with respect to voting by Beneficial Noteholders, only the Beneficial Noteholders, and not the Registered Noteholders or Holders of Record (unless in the case of a Holder of Record, such Holder of Record is itself a Beneficial Noteholder), shall be entitled to vote on the Plan as provided in this Order.

26. **THIS COURT ORDERS** that for the purposes of Voting at the Meeting, each registered holder of Unsecured Pari Passu Notes shall be entitled to one vote, which vote shall have a value equal to the principal and accrued interest owing under the Unsecured Pari Passu Notes owned by such registered holder as at the Voting Record Date.

27. **THIS COURT ORDERS** that for purposes of Voting at the Meeting, each registered holder of Unsecured Subordinated Notes shall be entitled to one vote, which vote shall have a value equal to the principal and accrued interest owing under the Unsecured Subordinated Notes owned by such registered holder as at the Voting Record Date.

28. **THIS COURT ORDERS** that each holder of a Restructuring Claim, if any, shall be entitled to one vote, which vote shall have a value equal to such holder's Restructuring Voting Claim.

29. **THIS COURT ORDERS** that for the purpose of calculating the majority in number of Affected Unsecured Creditors voting on the Plan, each individual Beneficial Noteholder that votes on the Plan (in person or by proxy) shall only be counted once, without duplication, even

if that Beneficial Noteholder beneficially holds Unsecured Senior Notes through more than one Registered Noteholder or Holder of Record.

VOTING AT THE MEETING

30. **THIS COURT ORDERS** that at the Meeting the Chair shall direct a vote, by written ballot, to approve the Plan and any amendments thereto.

31. **THIS COURT ORDERS** that the only Persons entitled to vote at the Meeting in person or by proxy, are: (i) the Beneficial Noteholders at the Voting Record Date (or any such validly appointed holder of the Beneficial Noteholder's proxy); and (ii) registered holders of Unsecured Pari Passu Notes and Unsecured Subordinated Notes as at the Voting Record Date, and (iii) any holders of Restructuring Voting Claims ((i) (ii) and (iii) collectively, the "**Affected Unsecured Creditors**").

32. **THIS COURT ORDERS** that no person shall be entitled to vote at the Meeting in respect of any claim that is unaffected by the Plan.

33. **THIS COURT ORDERS** that the quorum required at the Meeting shall be any two (2) Affected Unsecured Creditors present in person or by proxy at the Meeting.

34. **THIS COURT ORDERS** that if:

(a) the requisite quorum is not present at the Meeting;

(b) the Meeting is postponed by a vote of the majority in value of the Affected Claims of the Affected Unsecured Creditors present in person or by proxy; or

(c) the Chair otherwise decides to adjourn the Meeting pursuant to and in accordance with this Order,

then the Meeting shall be adjourned to such date, time and place as may be designated by the Chair. The announcement of the adjournment by the Chair, the posting of notice at the Meeting of such adjournment on the Monitor's Website and written notice to the Service List shall constitute sufficient notice of the adjournment and the Applicants and the Monitor shall have no obligation to give further notice to any Person of the adjourned Meeting.

35. **THIS COURT ORDERS** that every question submitted to the Meeting, except to approve the Plan or an adjournment of the Meeting, will be decided by a majority of votes given on a show of hands or if by confidential written ballot, at the discretion of the Chair, by a simple majority in number of the Affected Unsecured Creditors voting at the Meeting.

36. **THIS COURT ORDERS** that the Monitor may appoint scrutineers (the "**Scrutineers**") for the supervision and tabulation of the attendance, quorum, and votes cast at the Meeting. A Person or Persons designated by the Monitor shall act as secretary (the "**Secretary**") at the Meeting and shall tabulate all votes cast at the Meeting.

37. **THIS COURT ORDERS** that the result of any vote conducted at the Meeting shall be binding upon all Affected Unsecured Creditors, whether or not any such Affected Unsecured Creditor was present or voted at the Meeting.

38. **THIS COURT ORDERS** that following the vote at the Meeting, the Monitor shall tally the votes cast and determine whether the Plan has been approved by the majorities of Affected Unsecured Creditors required pursuant to section 6 of the CCAA (the "**Required Majorities**").

39. **THIS COURT ORDERS** that the Monitor shall file its report to this Court by no later than two Business Days after the date of the Meeting at which the vote on the Plan occurred with respect to the results of the votes cast, including whether the Plan has been accepted by the Required Majorities of Affected Unsecured Creditors.

VOTING BY PROXIES

40. **THIS COURT ORDERS** that all proxies submitted in respect of the Meeting (or any adjournment thereof) must be (a) submitted to the Monitor on or before 5:00 p.m. (Toronto time) on the second Business Day before the Meeting; and (b) in substantially the form attached to this Order as either **Schedule "B"** or **Schedule "C"**, or in such other form acceptable to the Monitor or the Chair. The Monitor is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any proxy is completed and executed, and may waive strict compliance with the requirements in connection

with the deadlines imposed in connection therewith.

41. **THIS COURT ORDERS** that in order to cast its vote at the Meeting, each Beneficial Noteholder shall execute a Beneficial Noteholder Proxy and return the Beneficial Noteholder Proxy to the Monitor on or before 5:00 p.m. (Toronto time) on the second Business Day before the Meeting. The Beneficial Noteholder Proxy must:

(a) clearly state the name and contain the signature of the applicable Beneficial Noteholder, the applicable account number or numbers of the account or accounts maintained by such Beneficial Noteholder with its Holder of Record (if applicable) and the principal amount of Unsecured Senior Notes held as at the Voting Record Date; and

(b) be duly completed and executed by the applicable Beneficial Noteholder's Holder of Record, in accordance with the instructions set out in the Beneficial Noteholder Proxy, verifying that the amounts indicated on the Beneficial Noteholder's Beneficial Noteholder Proxy are restricted to the amounts in fact held as at the Voting Record Date by that Beneficial Noteholder with such Holder of Record (either directly or through an agent or custodian), or otherwise provide such other evidence as may be satisfactory to the Monitor that the amounts so indicated are so restricted.

42. **THIS COURT ORDERS** that in order to cast its vote at the Meeting, each holder of Pari Passu Notes, Unsecured Subordinated Notes, and Restructuring Voting Claims, each as at the Voting Record Date, shall execute an Affected Unsecured Creditor Proxy and return the Affected Unsecured Creditor Proxy to the Monitor on or before 5:00 p.m. (Toronto time) on the second Business Day before the Meeting.

43. **THIS COURT ORDERS** that the following shall govern the submission of proxies and any deficiencies in respect of the form or substance of proxies filed with the Monitor:

(a) an Affected Unsecured Creditor who has given a proxy may revoke it, as to any matter on which a vote has not already been cast pursuant to its authority, unless it has agreed otherwise, by an instrument in writing executed by such Affected Unsecured Creditor or by its attorney, duly authorized in writing or, if an Affected Unsecured Creditor is not an individual, by an officer or attorney thereof duly authorized, and deposited with the Monitor as provided in paragraphs 40 to 42 above;

(b) if no name has been inserted in the space provided to designate the proxyholder on the proxy, the Affected Unsecured Creditor shall be deemed to have appointed David Saldanha of the Monitor (or such Person as he, in his sole discretion, may designate) as the Affected Unsecured Creditor's proxyholder;

(c) if the proxy is not dated in the space provided, it shall be deemed to be dated on the date it is received by the Monitor;

(d) a proxy submitted by an Affected Unsecured Creditor that bears or is deemed to bear a later date than an earlier proxy submitted by such Affected Unsecured Creditor shall be deemed to revoke the earlier proxy;

(e) if more than one valid proxy for the same Affected Unsecured Creditor and bearing or deemed to bear the same date are received by the Monitor with conflicting instructions, such proxies shall not be counted for the purposes of the vote;

(f) the Person named in the proxy shall vote the Affected Claim of the Affected Unsecured Creditor in accordance with the direction of the Affected Unsecured Creditor appointing them on any ballot that may be called for. In the absence of any such direction, such Affected Claim shall be voted in favour of the Plan; and

(g) a proxy confers a discretionary authority upon the Person named therein with respect to amendments or variations to the matters identified in the notices of the Meeting and in the Plan, and with respect to other matters that may properly come before the Meeting.

TRANSFERS OR ASSIGNMENTS OF CLAIMS

44. **THIS COURT ORDERS** that if an Affected Unsecured Creditor transfers or assigns an Affected Claim to another Person, such transferee or assignee shall not be entitled to attend and vote the transferred or assigned Affected Claim 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 no later than 10:30 a.m. on the second Business Day before the Meeting (or any adjournment thereof).

HEARING FOR SANCTION ORDER AND SALE TRANSACTION 11.3 ORDER

45. **THIS COURT ORDERS** that if the Plan is approved by the Required Majorities, the Applicants may seek Court approval of the Plan at a motion for the Sanction Order which motion shall be returnable before this Court at such time and on such date, not less than two (2) Business Days following the Meeting, as may be posted on the Monitor's Website and notice thereof has been provided to the Service List (the "**Sanction Hearing Date**"), or as soon after that date as the matter can be heard (the "**Sanction Hearing**").

46. **THIS COURT ORDERS** that the hearing of the motion for the Sale Transaction 11.3 Order, shall take place on the Sanction Hearing Date, concurrently with the Sanction Hearing (the "**Sale Transaction 11.3 Hearing**") and that service of the Applicants' or any responding party's materials in respect of the motion for the Sale Transaction 11.3 Order shall be effected in accordance with the Order of this Court issued on January 22, 2014.

47. **THIS COURT ORDERS** that, subject to paragraph 45, delivery of the Sixth Report in accordance with paragraph 8 hereof and the posting of this Order and Meeting Materials in accordance with paragraph 8 hereof, shall constitute good and sufficient service of the notice of the Sanction Hearing on all Persons who may be entitled to receive notice of the Sanction Hearing, and no other form of notice or service need be made on such Persons, and no such other document or materials need be served on such Persons in respect of the Sanction Hearing unless they have filed and served a Notice of Appearance.

48. **THIS COURT ORDERS** that any Person (other than the Applicants, the Monitor and

other Persons already on the Service List) wishing to receive materials and appear at the Sanction Hearing shall serve upon the lawyers for the Applicants and the Monitor, and file with this Court, a Notice of Appearance.

49. **THIS COURT ORDERS** that any party who wishes to oppose the motion for the Sanction Order shall serve upon the lawyers for the Applicants and the Monitor, and upon all other parties on the Service List, not later than 5:00 p.m. (Toronto time) on the fifth day following the giving of notice of the Sanction Hearing Date pursuant to paragraph 45 hereof, a copy of the materials to be used to oppose the motion for approval of the Plan, setting out the basis for such opposition.

50. **THIS COURT ORDERS** that, if the Sanction Hearing or the Sale Transaction 11.3 Hearing is adjourned, only those Persons who are listed on the Service List (which shall include those Persons who have complied with paragraph 48 of this Order) shall be served with notice of the adjourned date.

GENERAL

51. **THIS COURT ORDERS** that the Monitor may, in its discretion, generally or in individual circumstances, waive in writing the time limits imposed under this Order if the Monitor, in consultation with the Applicants and counsel to the Consenting Noteholders deems it advisable to do so, without prejudice to the requirement that all other Affected Unsecured Creditors must comply with this Order.

52. **THIS COURT ORDERS** that if any deadline set out in this Order falls on a day other than a Business Day, the deadline shall be extended to the next Business Day.

53. **THIS COURT ORDERS** that, notwithstanding the terms of this Order, the Applicants or the Monitor may apply to this Court from time to time for such further order or orders as it considers necessary or desirable to amend, vary, supplement or replace this Order.

54. **THIS COURT ORDERS** that subject to any further Order of this Court, in the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Plan and this

Order, the terms, conditions and provisions of the Plan shall govern and be paramount.

55. **THIS COURT ORDERS** that any notice or other communication to be given pursuant to this Order by or on behalf of any Person to the Monitor shall be in writing and will be sufficiently given only if by mail, courier, email, fax or hand delivery addressed to:

Ernst & Young Inc.,
in its capacity as Court-appointed Monitor of Mobilicity

Attention: Mike P. Dean

Ernst & Young Tower
222 Bay Street, P.O. Box 251
Toronto, Ontario M5K 1J7

Telephone: 416-943-3646
Fax: 416-943-3300

Email: mobilicity.monitor@ca.ey.com
Website: www.ey.com/ca/mobilicity

STAY EXTENSION

56. **THIS COURT ORDERS** that the Stay Period, defined in paragraph 15 of the Initial Order issued by this Court on September 30, 2013, as amended by Orders of this Court dated October 24, 2013, December 19, 2013, February 25, 2013 and March 21, 2014, be and is hereby extended up to and including June 30, 2014.

APPROVAL OF MONITOR'S ACTIVITIES

57. **THIS COURT ORDERS** that the Sixth Report, and all previous reports of the Monitor, and the activities of the Monitor described therein, are hereby approved.

APPROVAL OF FEES AND DISBURSEMENTS OF MONITOR

58. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and its counsel, for the periods, and in the amounts, set out in the Sixth Report, the fee Affidavit of Robert Thornton and the fee Affidavit of Mike Dean, are hereby approved.

EFFECT, RECOGNITION AND ASSISTANCE OF OTHER COURTS

59. **THIS COURT ORDERS** that this Order and any other Order in this proceeding shall have full force and effect in all provinces and territories in Canada and abroad and as against all Persons against whom they may otherwise be enforceable.

60. **THIS COURT HEREBY REQUESTS** the aid and recognition, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

SCHEDULE "A" TO PLAN FILING AND CREDITORS' MEETING ORDER

FORM OF NOTICE OF MEETING

(Attached)

NOTICE TO AFFECTED UNSECURED CREDITORS OF MOBILICITY (AS DEFINED BELOW) OF THE MEETING

NOTICE IS HEREBY GIVEN that a plan of compromise and arrangement (the "Plan") has been filed with the Ontario Superior Court of Justice (Commercial List) (the "Court") in respect of 8440522 Canada Inc., Data & Audio-Visual Enterprises Wireless Inc., and Data & Audio-Visual Enterprises Holdings Inc. (collectively, "Mobilicity" or the "Applicants") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.

NOTICE IS ALSO HEREBY GIVEN that a meeting of a single class of Affected Unsecured Creditors (the "Meeting") will be held at 9:00 a.m. (Toronto time) on April 30, 2014 (or such other date as may be set and announced in accordance with the Meeting Order) at the offices of Norton Rose Fulbright Canada LLP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 3800, Toronto, Ontario, M5J 2Z4 for the purpose to consider and vote upon the Plan filed by the Applicants. The Meeting is being held pursuant to the Order of the Court made on April 23, 2014 (the "Meeting Order"). A copy of the Meeting Order can found on the Monitor's website at: www.ey.com/ca/mobilicity (the "Monitor's Website"). If the Meeting Date is changed or should the Meeting be cancelled, notice of such change or cancellation will be posted on the Monitor's Website and sent to the Service List, and no other notice shall be given to Affected Unsecured Creditors. Capitalized terms used but not otherwise defined in this notice have the meaning ascribed to them in the Meeting Order.

The Monitor's contact details for additional information or materials relating to the Meeting is:

Ernst & Young Inc.,
in its capacity as Court-appointed
Monitor of Mobilicity
Attention: Dave Saldanha
Ernst & Young Tower
222 Bay Street, P.O. Box 251
Toronto, Ontario M5K 1J7

Telephone: 416-943-4431
Fax: 416-943-3300
Email: mobilicity.monitor@ca.ey.com
Website: www.ey.com/ca/mobilicity

SCHEDULE "B" TO PLAN FILING AND CREDITORS' MEETING ORDER

FORM OF AFFECTED UNSECURED CREDITOR PROXY

(Attached)

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. (COLLECTIVELY, THE "APPLICANTS")

AFFECTED UNSECURED CREDITOR PROXY

Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Plan of Compromise or Arrangement of the Applicants dated as of April 17, 2014 (as may be amended, restated or supplemented from time to time, the "**Plan**") and filed pursuant to the *Companies' Creditors Arrangement Act* (Canada) with the Ontario Superior Court of Justice (Commercial List) (the "**Court**") or in the Meeting Order granted by the Court on April 23, 2014 (the "**Meeting Order**").

Before completing this proxy, please read carefully the accompanying Instructions For Completion of Proxy.

THIS FORM OF PROXY IS FOR USE BY ALL AFFECTED UNSECURED CREDITORS OTHER THAN AFFECTED UNSECURED CREDITORS IN THEIR CAPACITIES AS BENEFICIAL NOTEHOLDERS. If you are a Beneficial Noteholder you can obtain a Beneficial Noteholder Proxy from the Monitor's website (www.ey.com/ca/mobilicity) or by emailing the Monitor at mobilicity.monitor@ca.ey.com.

Beneficial Noteholders wishing to vote, in their capacities as Beneficial Noteholders, at the Meeting may do so only by completing the Beneficial Noteholder Proxy. **In accordance with the Plan and the Meeting Order, this proxy may only be filed by Affected Unsecured Creditors (other than in their capacities as Beneficial Noteholders) having Affected Claims for voting purposes.**

THE UNDERSIGNED AFFECTED UNSECURED CREDITOR (in its capacity as an Affected Unsecured Creditor other than a Beneficial Noteholder) hereby revokes all proxies previously given in respect of the Plan (other than a proxy given in its capacity as a Beneficial Noteholder) and nominates, constitutes, and appoints:

____
Print name of proxy

or, instead of the foregoing, David Saldanha of Ernst & Young Inc. in its capacity as Court-appointed Monitor of the Applicants, or such other Person as he, in his sole discretion, may designate, to attend on behalf of and act for the undersigned Affected Unsecured Creditor (other than in its capacity as a Beneficial Noteholder) at the Meeting to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling of such Meeting, and to vote the amount of the Affected Claim(s) of the undersigned (other than Affected Claims in respect of the undersigned in the undersigned's capacity as a Beneficial Noteholder) for voting purposes as determined by and accepted for voting purposes in accordance with the Meeting Order and as set out in the Plan as follows:

A.	**VOTE** (mark one only):	**FOR** ☐ **AGAINST** ☐	**APPROVAL OF THE PLAN**
B.	Vote at the nominee's discretion and otherwise act for and on behalf of the undersigned Affected Unsecured Creditor (other than in its capacity as a Beneficial Noteholder) with respect to any amendments, modifications, variations or supplements to the Plan and to any other matters that may come before the Meeting or any adjournment, postponement or other rescheduling of the Meeting.		

Dated this_______day of_________________, 2014.

Print Name of Affected Unsecured Creditor	Title of the authorized signing officer of the corporation, partnership or trust, if applicable
Signature of Affected Unsecured Creditor or, if the Affected Unsecured Creditor is a corporation, partnership or trust, signature of an authorized signing officer of the corporation, partnership or trust	Telephone number of Affected Unsecured Creditor or authorized signing officer
Mailing Address of Affected Unsecured Creditor	E-mail address of Affected Unsecured Creditor
Print Name of Witness, if Affected Unsecured Creditor is an individual	Signature of Witness

INSTRUCTIONS FOR COMPLETION OF PROXY

1. This proxy should be read in conjunction with the Plan and the Meeting Order.
2. Each Affected Unsecured Creditor has the right to appoint a person (who need not be an Affected Unsecured Creditor) to attend, act and vote for and on behalf of the Affected Unsecured Creditor at the Meeting and such right (in respect of Affected Claims for voting purposes of Affected Unsecured Creditors except in their capacities as Beneficial Noteholders) may be exercised by inserting the name of the person to be appointed in the space provided on this proxy or by completing such other form of proxy acceptable to the Monitor or the Chair.
3. An Affected Unsecured Creditor who has given a proxy may revoke it (as to any matter on which a vote has not already been cast pursuant to its authority), unless it has agreed otherwise, by delivering written notice to the Monitor at or before 5:00 p.m. E.S.T. on April 28, 2014.
4. If no name is inserted in the space provided to designate the proxyholder on this proxy, the Affected Unsecured Creditor shall be deemed to have appointed David Saldanha of the Monitor (or such Person as he may designate) as the Affected Unsecured Creditor's proxyholder.
5. If this proxy is not dated in the space provided, it shall be deemed to be dated as of the date on which it is received by the Monitor.
6. A valid proxy from the same Affected Unsecured Creditor bearing or deemed to bear a later date shall revoke this proxy (except if such proxy relates only to the Affected Unsecured Creditor's Affected Claim in its capacity as a Beneficial Noteholder). If more than one valid proxy from the same Affected Unsecured Creditor in the same capacity (i.e. as an Affected Unsecured Creditor, other than in its capacity as a Beneficial Noteholder) and bearing or deemed to bear the same date are received with conflicting instructions, such proxies shall not be counted for the purposes of the vote.
7. The Person named in the proxy shall vote the Affected Claim of the Affected Unsecured Creditor (other than in its capacity as a Beneficial Noteholder) in accordance with the direction of the Affected Unsecured Creditor appointing them on any ballot that may be called for. **IF AN AFFECTED UNSECURED CREDITOR SUBMITS THIS PROXY AND FAILS TO INDICATE ON THE PROXY A VOTE FOR OR AGAINST APPROVAL OF THE PLAN, THIS PROXY SHALL BE VOTED FOR APPROVAL OF THE PLAN, INCLUDING ANY AMENDMENTS, VARIATIONS OR SUPPLEMENTS THERETO.**
8. This proxy confers discretionary authority upon the persons named herein in respect of amendments, variations or supplements to the Plan or other matters that may properly come before the Meeting or any adjournment, postponement of other rescheduling thereof.
9. This proxy must be signed by the Affected Unsecured Creditor or by a person duly authorized (by power of attorney) to sign on the Affected Unsecured Creditor's behalf or, if the Affected Unsecured Creditor is a corporation, partnership or trust, by a duly authorized officer or attorney of the corporation, partnership or trust. If you are voting on behalf of a corporation, partnership or trust, you may be required to provide documentation evidencing your power and authority to sign this proxy.
10. A proxy, once duly completed, dated and signed, must be received by the Monitor by email to mobilicity.monitor@ca.ey.com, or if the completed proxy cannot be sent by email it shall be sent by facsimile, registered mail or courier to:

Ernst & Young Inc.
Court-appointed Monitor of Mobilicity
Ernst & Young Tower
222 Bay Street
Toronto, Ontario M5K 1G8
Telephone: 1 (416) 943 4431
Fax: 1 (416) 943-3300

THIS PROXY MUST BE RECEIVED BY THE MONITOR PRIOR TO 5:00 PM E.S.T. ON THE

SECOND BUSINESS DAY BEFORE THE MEETING ON APRIL 30, 2014, OR ANY ADJOURNMENT, POSTPONEMENT OR OTHER RESCHEDULING THEREOF. IF YOU DO NOT DELIVER THIS PROXY TO THE MONITOR BY 5:00 PM E.ST. ON APRIL 28, 2014, YOUR VOTE MAY NOT BE COUNTED.

11. If you have any questions regarding this Affected Creditor Proxy, please call David Saldanha of Ernst & Young Inc., in its capacity as Monitor, at 1 (416) 943 4431 .

12. The Monitor is authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any proxy is completed and executed, and may waive strict compliance with the requirements in connection with the deadlines imposed herewith.

SCHEDULE "C" TO PLAN FILING AND CREDITORS' MEETING ORDER

FORM OF BENEFICIAL NOTEHOLDER PROXY

(Attached)

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. (COLLECTIVELY, THE "APPLICANTS")

BENEFICIAL NOTEHOLDER PROXY

15% Senior Unsecured Debentures due September 25, 2018
CUSIP: CA237576-AA1-0

Voting Record Date: **April 15, 2014**

Proxy Delivery Deadline: **April 28, 2014 at 5:00 P.M. (Toronto time)**

Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Plan of Compromise or Arrangement of the Applicants dated as of April 17, 2014 (as may be amended, restated or supplemented from time to time, the "**Plan**") filed pursuant to the *Companies' Creditors Arrangement Act* (Canada) with the Ontario Superior Court of Justice (Commercial List) (the "**Court**") or in the Meeting Order granted by the Court on April 23, 2014 (the "**Meeting Order**").

Before completing this Beneficial Noteholder Proxy, please read carefully the accompanying 'Instructions for Completion of Beneficial Noteholder Proxy'.

THIS BENEFICIAL NOTEHOLDER PROXY IS FOR USE BY ALL AFFECTED UNSECURED CREDITORS, INCLUDING AS APPLICABLE HOLDERS OF RECORD, IN THEIR CAPACITIES AS BENEFICIAL NOTEHOLDERS. If you are an Affected Unsecured Creditor in a capacity other than as a Beneficial Noteholder you can obtain an Affected Unsecured Creditor Proxy from the Monitor's website (www.ey.com/ca/mobilicity) or by emailing the Monitor at mobilicity.monitor@ca.ey.com. Beneficial Noteholders who are entitled to vote in a capacity other than as a Beneficial Noteholder and who wish to vote in such capacities at the Meeting may do so only by completing the Affected Unsecured Creditor Proxy. **In accordance with the Plan and the Meeting Order, this Beneficial Noteholder Proxy may only be filed by Beneficial Noteholders having Affected Claims for voting purposes.** To be counted, this Beneficial Noteholder Proxy, once completed, must be delivered to the Monitor by April 28, 2014 at 5:00 p.m (Toronto time).

FOR ASSISTANCE in completing this form or for additional materials, please contact David Saldanha of Ernst & Young Inc., in its capacity as Monitor, at 1 (416) 943 4431.

Item 1: **APPOINTMENT OF PROXY / VOTE OF UNSECURED SENIOR NOTES**

THE UNDERSIGNED BENEFICIAL NOTEHOLDER (in its capacity as Beneficial Noteholder) hereby revokes all proxies previously given in respect of the Plan (in its capacity as Beneficial Noteholder) and nominates, constitutes and appoints

____
Print name of proxy

or, instead of the foregoing, David Saldanha of Ernst & Young Inc. in its capacity as Court-appointed Monitor of the Applicants, or such other Person as he, in his sole discretion, may designate to attend on behalf of and act for the undersigned Beneficial Noteholder (in its capacity as a Beneficial Noteholder) at the Meeting to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling of such Meeting, and to vote the amount of the Affected Claim(s) of the undersigned (in the undersigned's capacity as a Beneficial Noteholder) as determined by and accepted for voting purposes in accordance with the Meeting Order and as set out in the Plan as follows:

A. **VOTE** (mark one only): **FOR ☐** / **AGAINST ☐** **APPROVAL OF THE PLAN**

B. Vote at the nominee's discretion and otherwise act for and on behalf of the Beneficial Noteholder (in its capacity as a Beneficial Noteholder) with respect to any amendments, modifications, variations or supplements to the Plan and to any other matters that may come before the Meeting or any adjournment, postponement or other rescheduling of the Meeting.

Item 2: **NOTEHOLDER'S CLAIM TO BE VOTED AT THE MEETING**

Please indicate in the box below the aggregate principal amount of Unsecured Senior Notes you held as at the Voting Record Date, April 15, 2014. **If your Unsecured Senior Notes are held through a Holder of Record (such as a bank, broker, or nominee) and you do not know the amount of Unsecured Senior Notes held as at the Voting Record Date, please contact your Holder of Record immediately to obtain the correct amount.**

CUSIP: CA237576-AA1-0

Principal Amount Held $____________________________

(Please provide the principal amount held in increments of $1,000)

Item 3: **IDENTIFICATION**

If the undersigned Beneficial Noteholder holds Unsecured Senior Notes through a Holder of Record (such as a bank, broker, or nominee), please list below (i) the name of each such Holder of Record; (ii) the undersigned's account number(s) with each; (iii) and the principal amount of Unsecured Senior Notes held on behalf of the undersigned in each account.

Name and Telephone # of Holder of Record	Account Number	Principal Amount Held

Please attach additional schedules as necessary.

Item 4: **CERTIFICATION TO BE COMPLETED BY THE BENEFICIAL NOTEHOLDER AND SIGNED AND MEDALLION GUARANTEED BY SUCH BENEFICIAL NOTEHOLDER'S HOLDER OF RECORD**

*****IMPORTANT READ CAREFULLY*****

This Beneficial Noteholder Proxy must be signed by the Beneficial Noteholder or by a person duly authorized (by power of attorney) to sign on the Beneficial Noteholder's behalf or, if the Beneficial Noteholder is a corporation, partnership or trust, by a duly authorized officer or attorney of the corporation, partnership or trust. If you are voting on behalf of a corporation, partnership or trust, you may be required to provide documentation evidencing your power and authority to sign this Beneficial Noteholder Proxy.

In order for a Beneficial Noteholder's vote to count, the Meeting Order directs that, together with this Beneficial Noteholder Proxy, a **Beneficial Noteholder must also provide the Monitor with evidence satisfactory to the Monitor that the amounts indicated as held by it in Item 2 are in fact true and accurate.**

One acceptable method of providing such evidence is to have the Holder of Record (such as a bank, broker, or CDS participant holder) through which the Beneficial Noteholder holds its Unsecured Senior Notes **ALSO** properly complete and duly execute this portion of the Beneficial Noteholder Proxy. To do so, the Holder of Record must signature/medallion guarantee, by affixing its brokerage stamp to this Beneficial Noteholder Proxy, that,

(a) the name of the Beneficial Noteholder set forth in this Item 4 is true and accurate; and

(b) such Beneficial Noteholder beneficially held the principal amount of Unsecured Senior Notes as of the Voting Record Date (April 15, 2014) as indicated by the Beneficial Noteholder in Item 2 above.

Where the Beneficial Noteholder holds its Unsecured Senior Notes through multiple Holders of Record as indicated at Item 3, the Beneficial Noteholder must have each of its Holders of Record properly complete and duly execute this Beneficial Noteholder Proxy in respect of the particular portion of Unsecured Senior Notes held by the Beneficial Noteholder with such Holder of Record

For further assistance as to what forms of evidence of Affect Claims for voting purposes may be acceptable, please contact Dave Saldanha of Ernst & Young Inc., in its capacity as Monitor, at 1 (416) 943 4431.

****TO BE COMPLETED BY BENEFICIAL NOTEHOLDER****

By returning this Beneficial Noteholder Proxy, the undersigned Beneficial Noteholder of the Unsecured Senior Notes set out in Item 2 hereof certifies that (a) it has full power and authority to vote for or against the Plan, (b) it was a Beneficial Noteholder of the Unsecured Senior Notes so indicated at Item 2 as of the Voting Record Date, and (c) it understands that the solicitation of votes for the Plan is subject to all terms and conditions set forth in the Plan and Meeting Order.

Dated this_______day of__________________, 2014.

________________________	________________________
Print Name of Beneficial Noteholder	**Title of the authorized signing officer of the corporation, partnership or trust, if applicable**
________________________	________________________

Signature of Beneficial Noteholder or, if the Beneficial Noteholder is a corporation, partnership or trust, signature of an authorized signing officer of the corporation, partnership or trust

Telephone number of Beneficial Noteholder or authorized signing officer

Mailing Address of Beneficial Noteholder

E-mail address of Beneficial Noteholder

Print Name of Witness, if Beneficial Noteholder is an individual

Signature of Witness

PORTION TO BE COMPLETED BY HOLDER OF RECORD

Name of Holder of Record for this Beneficial Noteholder:______________________

CDS Participant/Broker Number: ____

This Beneficial Noteholder held 15% Senior Unsecured Debentures on April 15, 2014 through the undersigned Holder of Record. (Check the applicable box below.)

☐ YES

☐ NO

Principal Amount of 15% Senior Unsecured Debentures Held as at April 15, 2014 for this Beneficial Noteholder through the undersigned Holder of Record:

____

CDS PARTICIPANT/BROKER SIGNATURE

AND MEDALLION GUARANTEE: ____

Dated: ______________________________

PLEASE RETURN THIS PROXY IMMEDIATELY TO THE MONITOR IN TIME FOR RECEIPT BY 5:00 P.M. (TORONTO TIME) ON APRIL 28, 2014

INSTRUCTIONS FOR COMPLETION OF BENEFICIAL NOTEHOLDER PROXY

1. This Beneficial Noteholder Proxy should be read in conjunction with the Plan and the Meeting Order.

2. Each Beneficial Noteholder has the right to appoint a person (who need not be an Affected Unsecured Creditor) to attend, act and vote for and on behalf of the Beneficial Noteholder at the Meeting and such right (in respect of Affected Claims for voting purposes of Beneficial Noteholders) may be exercised by inserting the name of the person to be appointed in the space provided on this proxy or by completing such other form of proxy acceptable to the Monitor or the Chair.

3. A Beneficial Noteholder who has given a proxy may revoke it (as to any matter on which a vote has not already been cast pursuant to its authority), unless it has agreed otherwise, by delivering written notice to the Monitor prior to 5:00 p.m. E.S.T on April 28, 2014.

4. If no name is inserted in the space provided to designate the proxyholder on this proxy, the Beneficial Noteholder shall be deemed to have appointed David Saldanha of the Monitor (or such person as he may designate as the Beneficial Noteholder's proxyholder.

5. If this Beneficial Noteholder Proxy is not dated in the space provided, it shall be deemed to be dated as of the date on which it is received by the Monitor.

6. A valid proxy from the same Beneficial Noteholder bearing or deemed to bear a later date shall revoke this proxy (except if such proxy relates only to the Beneficial Noteholder's Affected Claim in its capacity as other than a Beneficial Noteholder). If more than one valid proxy from the same Beneficial Noteholder in the same capacity (i.e. as a Beneficial Noteholder) and bearing or deemed to bear the same date are received with conflicting instructions, such proxies shall not be counted for the purposes of the vote.

7. The Person named in the proxy shall vote the Affected Claim of the Beneficial Noteholder (in its capacity as a Beneficial Noteholder) in accordance with the direction of the Beneficial Noteholder appointing them on any ballot that may be called for. **IF A BENEFICIAL NOTEHOLDER SUBMITS THIS PROXY AND FAILS TO INDICATE ON THE PROXY A VOTE FOR OR AGAINST APPROVAL OF THE PLAN, THIS PROXY SHALL BE VOTED FOR APPROVAL OF THE PLAN, INCLUDING ANY AMENDMENTS, VARIATIONS, OR SUPPLEMENTS THERETO.**

8. This proxy confers discretionary authority upon the persons named herein in respect of amendments, variations or supplements to the Plan or other matters that may properly come before the Meeting or any adjournment, postponement of other rescheduling thereof.

9. **EACH BENEFICIAL NOTEHOLDER PROXY MUST BE ACCOMPANIED BY EVIDENCE SATISFACTORY TO THE MONITOR THAT THE BENEFICIAL NOTEHOLDER WAS THE HOLDER OF THE AMOUNT OF UNSECURED SENIOR NOTES SO INDICATED AT ITEM 2 AS OF THE VOTING RECORD DATE (APRIL 15, 2014).**

   One method of providing such evidence is to have the Holder(s) of Record through which your Unsecured Senior Notes are held complete, sign and medallion/signature guarantee the signature block located in Item 4 of this proxy.

   For further assistance regarding other acceptable forms of evidence of Affected Claims, please contact David Saldanha of Ernst & Young Inc., in its capacity as Monitor, at 1 (416) 943 4431 .

10. This Beneficial Noteholder Proxy must be signed by the Beneficial Noteholder or by a person duly authorized (by power of attorney) to sign on the Beneficial Noteholder's behalf or, if the Beneficial Noteholder is a corporation, partnership or trust, by a duly authorized officer or attorney of the corporation, partnership or trust. If you are voting on behalf of a corporation, partnership or trust, you may be required to provide documentation evidencing your power and authority to sign this Beneficial Noteholder Proxy.

11. To be counted, a Beneficial Noteholder Proxy must be duly completed, dated and signed and delivered to the Monitor by email at mobilicity.monitor@ca.ey.com, or if the completed proxy

cannot be sent by email, it shall be sent by facsimile, registered mail or courier to:

Attn: David Saldanha
Ernst & Young Inc.
Court-appointed Monitor of Mobilicity
Ernst & Young Tower
222 Bay Street
Toronto, Ontario M5K 1G8
Telephone: 1 (416) 943 4431
Fax: 1 (416) 943-3300

THIS PROXY MUST BE RECEIVED BY THE MONITOR PRIOR TO 5:00 PM E.S.T. ON THE SECOND BUSINESS DAY BEFORE THE MEETING ON APRIL 30, 2014, OR ANY ADJOURNMENT, POSTPONEMENT OR OTHER RESCHEDULING THEREOF. IF YOU DO NOT DELIVER THIS PROXY TO THE MONITOR BY 5:00 PM E.ST. ON APRIL 28, 2014, YOUR VOTE MAY NOT BE COUNTED.

12. If you have any questions regarding this Beneficial Noteholder Proxy, please contact David Saldanha of Ernst & Young Inc., in its capacity as Monitor, at 1 (416) 943 4431 .

13. The Monitor is authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any proxy is completed and executed, and may waive strict compliance with the requirements in connection with the deadlines imposed herewith.

SCHEDULE "D" TO PLAN FILING AND CREDITORS' MEETING ORDER

PLAN

(Attached)

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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.

<u>April 17, 2014</u>

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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.

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

PLAN OF COMPROMISE OR ARRANGEMENT

(Acquisition Plan for Successful Bid)

NORTON ROSE FULBRIGHT CANADA LLP
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200 Bay Street
P.O. Box 84
Toronto, Ontario
M5J 2Z4

Telephone: 416-216-4000
Facsimile: 416-216-3930

Lawyers for the Applicants

6307138

172.

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

MOTION RECORD
OF THE APPLICANTS
(Plan Filing and Creditors' Meeting Order and Stay Extension Order)

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