ENDORSEMENT

COURT FILE NO.: CV-20-00642010-00CL **DATE:** July 3, 2020

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 PERASO TECHNOLOGIES INC.

A motion was brought by the Applicants and returnable before me by Zoom videoconference call on July 2, 2020. The parties in attendance were:

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1. Subsequent to the Applicant serving its Motion Record and Ubiquiti serving a responding Affidavit, the parties discussed certain concerns raised by Ubiquiti with respect to the DIP Term Sheet. Following those discussions, a revised form of DIP Term Sheet was negotiated and approved by the DIP lenders, and that is the form of DIP Term Sheet for which court approval is sought by the Applicant.

2. I am satisfied that notice of the relief sought by the Applicant in its Notice of Motion has been given to all affected parties. The Order will issue in the form of the amended Order requested by the Applicant.

3. The Applicant is seeking authorization from the Court to enter into and borrow under a credit facility from Roadmap Capital General Partner Ltd., Roadmap Peraso LP III (U.S. and Offshore), and XCOM Labs, Inc. (collectively, the "**DIP Lenders**") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures. The DIP terms are in the amended form presented to the Court at the hearing, following negotiations amongst the parties (the "**DIP Agreement**"). The Applicant's request for approval of the DIP Agreement is unopposed and is supported by the Monitor. The Court has considered the factors identified in section 11.2(4) of the CCAA and is satisfied that the Applicant's request to enter into and borrow under the proposed DIP Agreement is reasonable and should be granted.

4. The Applicant is seeking to seal certain portions of the DIP Agreement, the Affidavit of Ron Glibbery affirmed June 25, 2020 (the "**June 25 Glibbery Affidavit**"), the Applicant's Cash Flow Forecast appended to the un-redacted June 25 Glibbery Affidavit, corresponding references to such amounts in the un-redacted Second Report of the Monitor dated June 29, 2020, and the un-redacted Affidavit of Ron Glibbery affirmed July 2, 2020 attaching the revised DIP Agreement (collectively, the "**Confidential Documents**") on the basis that they contain commercially sensitive information. The Applicant's request is supported by the Monitor. Counsel for Ubiquiti objected to the request for a sealing of this information. Having heard the submissions of all parties, I am satisfied that, given the litigation between Peraso and Ubiquiti, the test set out in *Sierra Club* has been met. Ubiquiti can address any needs it has for access to sealed information with the mediator.

5. The Confidential Documents contain commercially sensitive information and are to be sealed, kept confidential and not form part of the public record. They are to be placed separate and apart from all other contents of the court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further order of this Court.

6. The Applicant requests an extension of the stay period referred to in the Initial Order until and including August 14, 2020. The Applicant's request is unopposed and is supported by the Monitor. I am satisfied that the requested extension is reasonable and appropriate and the Applicant's request is granted.

7. Ubiquiti did not oppose the relief sought by the Applicant (other than in respect of the sealing order) but reserves all of its rights in connection with any future motions brought by the Applicant, in respect of its litigation with the Applicant and this CCAA proceeding, including the right to cross-examine Ronald Glibbery on his affidavits filed in this proceeding. Peraso reserves its right to cross-examine Todd Cramer on his Affidavit of June 30, 2020.

8. The Applicant and Ubiquiti are engaging in a mediation which will take place on July 6 and 7, 2020, to see if an expeditious and consensual resolution of the issues between them is possible. Mediation is supported and strongly encouraged by both the Monitor and the Court.

9. The Court remains available to address any issues that arise in accordance with the notice provisions of the Initial Order, as amended. In the event there is no settlement arising from the mediation, a case conference has been scheduled for July 16 at 1:30 pm to address scheduling and other matters relating to the Ubiquiti litigation. I encourage the parties to find a commercial resolution of their issues and, failing that, I expect counsel to communicate constructively to narrow the matters to be addressed at the case conference. Obviously, should there be a settlement before the case conference, counsel will advise the Court accordingly.

Hainey J

Hainey, J.