Court File No. ___________________

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 PERASO TECHNOLOGIES INC.

(Applicant)

APPLICATION RECORD
(Returnable June 3, 2020)

June 2, 2020

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

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Lawyers for the Applicant, Peraso Technologies Inc.

INDEX

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INDEX

TAB 1

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Applicant

NOTICE OF APPLICATION

TO THE RESPONDENTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing on June 3, 2020 at 2:00 p.m. via videoconference due to the COVID-19 pandemic.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date	June 2, 2020	Issued by	______________________
			Local registrar
		Address of court office	330 University Avenue, Toronto, Ontario M5G 1R7

APPLICATION

THE APPLICANTS MAKE THIS APPLICATION FOR:

1. An initial order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") substantially in the form attached at Tab 3 of the Applicant's Application Record, for, *inter alia*:

   (a) a declaration that the Applicant is a party to which the CCAA applies;

   (b) the appointment of Ernst & Young Inc. ("**EY")** as an officer of this Court to monitor the assets, businesses and affairs of the Applicant (in such capacity, the "**Monitor**");

   (c) a stay of all proceedings taken or that might be taken in respect of the Applicant, its current and former directors and officers, and the Monitor until June 13, 2020, subject to further Order of the Court (the "**Stay of Proceedings**");

   (d) the grant of the following charges over the Applicant's property:

      (i) an administrative charge in favour of the Monitor, Canadian and US counsel to the Monitor, and Canadian and US counsel to the Applicant (the "**Administration Charge**"); and

      (ii) a charge in favour of the current directors and officers of the Applicant (the "**Director's Charge**");

   (e) authorization for the Monitor to act as foreign representative of the Applicant and to seek recognition of these proceedings in the United States under Chapter 15 of the United States Bankruptcy Code, 11 U.S. Code § 1501-1532; and

2. Such further and other relief as this Honourable Court deems just.

THE GROUNDS FOR THIS APPLICATION ARE:

General

(a) The Applicant, Peraso Technologies Inc., is insolvent;

(b) The Applicant is a company to which the CCAA applies;

(c) The claims against the Applicant exceed $5 million;

(d) The Applicant is in the business of the development, marketing and sale of the software and chipsets that power the next generation of wireless internet;

(e) The Applicant is facing significant liquidity issues due to, *inter alia*, a dispute involving its largest customer, Ubiquiti Inc. and its affiliates ("**Ubiquiti**"):

  (i) in 2019, Ubiquiti failed to subscribe to an aggregate US$10 million of the Applicant's shares, as was contemplated by a transaction that the Applicant and Ubiquiti entered into in late 2018; and

  (ii) in early 2020, Ubiquiti commenced litigation against the Applicant in the Southern District of New York and Ontario, which, as a consequence, has impaired the Applicant's ability to sell its products to customers other than Ubiquiti, deterred potential purchasers from acquiring the Applicant, and effectively prevent the Applicant from obtaining viable financing;

(f) The Applicant is anticipated to run out of cash by late June, at which point it will be unable to fund its continued operations and will be forced to shut down;

(g) The Applicant requires immediate protection from this Court to permit it to, amongst other things:

  (i) stabilize its liquidity position under Court supervision; and

(ii) resolve the claims asserted against it in the litigation with Ubiquiti within these CCAA proceedings;

(h) Once the litigation with Ubiquiti is resolved, the Applicant will be better positioned to sell its products to customers other than Ubiquiti, obtain financing and/or find a purchaser for its assets;

(i) EY has consented to act as the Monitor;

Stay of Proceedings

(j) The Applicant requires a Stay of Proceedings and the other relief sought in order to continue operating in the ordinary course of business and to preserve enterprise value while it stabilizes its position and evaluates necessary restructuring, refinancing, and potential sale strategies**;**

(k) It is necessary and in the best interests of the Applicant and its stakeholders that the Applicant be afforded the "breathing room" provided by the CCAA as its attempt to stabilize its business;

(l) It is also necessary and in the best interests of the Applicant and its stakeholders that the Applicant's former directors, some of whom are named as defendants in the litigation with Ubiquiti, benefit from the Stay of Proceedings so that the litigation with Ubiquiti is stayed as a whole;

Court Ordered Charges

(m) The Applicant is seeking the Court's approval of an administration charge in the amount of $200,000 to secure the professional services required to complete these CCAA proceedings;

(n) The Applicant is also seeking the Court's approval of a directors' and officers' charge in the amount of $650,000 to ensure the continued cooperation of the Applicant's directors and officers;

Chapter 15 Proceedings

(o) It is necessary and reasonable to seek foreign recognition of these CCAA proceedings in the United States so that this Court's Stay of Proceedings, if granted, is recognized and enforced in the United States in general and the Southern District of New York in particular;

Other Grounds

(p) The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court;

(q) Rules 2.03, 3.02, 14.05(2) and 16 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended;

(r) Section 106 of the Ontario *Courts of Justice Act*, R.S.O. 1990, c. C.43 as amended; and

(s) Such future and other grounds as counsel may advise and this Court may permit.

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

(a) The Affidavit of Ronald Glibbery, sworn June 2, 2020, and the exhibits attached thereto;

(b) The Pre-filing Report of the Proposed Monitor dated June 2, 2020; and

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

June 2, 2020

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Lawyers for the Applicants

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.

Court File No.: ____________________

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

NOTICE OF APPLICATION

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Lawyers for the Applicant

TAB 2

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PERASO TECHNOLOGIES INC.

(Applicant)

AFFIDAVIT OF RONALD GLIBBERY
(Sworn June 2, 2020)

I, Ronald Glibbery, of the City of Toronto, Ontario AFFIRM AND SAY:

1. I am the founder of Peraso Technologies Inc. ("**Peraso**" or the "**Applicant**"). I am and have been a director of Peraso since it was founded. I was also Peraso's Chief Executive Officer from its founding until approximately February 2018. I assumed the role of Senior Vice President of Corporate Development at Peraso between February 2018 and February 2020, inclusive, and on March 1, 2020, I again became the interim Chief Executive Officer.

2. I have also reviewed the books and records of Peraso and I have spoken with certain current and former directors, officers and/or employees of Peraso, as necessary and applicable. As a result, I have knowledge of the matters to which I hereinafter depose, except where otherwise stated. Where I have relied upon information received from other individuals, I state the source of such information and believe such information to be true.

3. All references to currency in this affidavit are references to United States dollars, unless otherwise indicated.

A. INTRODUCTION

4. This affidavit is sworn in support of an application by the Applicant for an order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36, as amended (the "**CCAA**" and such proceedings, the "**CCAA Proceedings**").

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5. This CCAA application is necessary due to Peraso's pending liquidity crisis and anticipated inability to satisfy its payment obligations as they come due. If action is not taken now, Peraso anticipates that it will run out of cash by late June 2020, at which point it will be forced to cease operations.

6. Peraso is a small, private Canadian company specializing in the development of integrated circuits and chipsets for use in wireless technology that operates on the 60 gigahertz ("**GHz**") band. As described in greater detail below, for over the last 12 months, Peraso has been the subject of multiple legal proceedings brought in Canada and the United States by Ubiquiti Inc. and its various affiliates (collectively, "**Ubiquiti**"). Ubiquiti is a publicly traded US technology company that generates in excess of $1 billion in annual gross revenues. It is Peraso's largest customer and one of its shareholders.

7. The costs associated with the litigation place further strain on Peraso's already strained liquidity. Furthermore, the litigation with Ubiquiti has stymied any and all of Peraso's efforts to raise additional funds, pursue a sales process or even market its products. Due to the on-going Ubiquiti litigation, Peraso has been unable to obtain the necessary liquidity to continue its operations outside of formal insolvency proceedings.

8. Peraso is now seeking the protection of the CCAA and the relief available thereunder so that it can raise essential interim financing and resolve its disputes with Ubiquiti. Doing so would enable Peraso to explore restructuring, financing, sales to other customers and/or sale of the entire business options that will enable it to emerge from these proceedings as a viable and sustainable business for the benefit of all of its stakeholders, including its employees and shareholders.

9. If this Court grants the proposed Initial Order, Peraso plans to commence ancillary insolvency proceedings (the "**Chapter 15 Proceedings**") under chapter 15 of title 11 of the *United States Code* (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of New York (the "**US Court**").

10. The Board of Directors of Peraso has authorized this CCAA application. The holders of the 2019 Notes and the 2020 Notes (as those terms are defined below) will receive notice of this CCAA application.

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B. BACKGROUND

(i) Corporate Overview

11. Peraso is a fabless[1] semiconductor[2] company specializing in the development of integrated circuits and chipsets[3] for use in wireless technology that operates on the 60 GHz band. The 60 GHz band is a band of extremely high radio frequencies that allow the short-range transmission of data at high speeds up to multiple gigabits per second.[4] Wireless technology that operates on the 60 GHz band can be used in a variety of applications, such as to create high speed wireless networks in businesses and homes or be used by internet service providers to deliver high speed broadband to businesses and homes without the need to install fibre or cable connections.

12. Peraso is a corporation incorporated under the laws of the Province of Ontario in June 2008. Peraso's place of business is at 144 Front Street West, Suite 685, Toronto, Ontario, M5J 2L7, Canada. Peraso does not have any subsidiary corporations.

13. Pursuant to Peraso's amended articles of incorporation dated March 2, 2016, Peraso was authorized to issue common shares, Class A Convertible Preferred Shares, Class B Convertible Preferred Shares, and Class C Convertible Preferred Shares.

14. Following a conversion of the Class A, Class B and Class C Convertible Preferred Shares implemented on March 13, 2020, Peraso's shares are held by the following entities (all of which are common shares):

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[1] "Fabless" means that the fabrication of silicon wafers (or chips) used in Peraso's products is outsourced to a plant or foundry.

[2] A semiconductor is a material product usually comprised of silicon, which conducts electricity more than an insulator, such as glass, but less than a pure conductor, such as copper or aluminum. Nearly any device that is computerized or that uses radio waves depends on semiconductors to function.

[3] A chipset is a set of electronic components which consists of at least one radio device, one baseband device, and, typically, an antenna.

[4] For context, the much-publicized 5G cellphone networks that telecommunication companies are developing in Canada rely on lower radio frequency bands than the 60 GHz band (typically closer to 3.5GHz). 60 GHz networks are faster than 5G networks, but 5G networks have a greater range and can more easily penetrate walls and surfaces.

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Investor	Shareholding	Ownership %
Roadmap Capital Inc.*	34,174,579	26.11%
Qorvo International Pte. Ltd	23,122,197	17.67%
Celtic House Venture Partners Inc.*	14,197,928	10.85%
Total ESOP - Peraso Technologies Inc. Stock Option Plan	11,883,709	9.08%
iNovia*	9,652,587	7.38%
Ontario Capital Growth Fund	9,639,130	7.36%
VentureLink Funds*	7,405,797	5.66%
Ubiquiti Networks Canada Inc.	5,728,955	4.38%
Integrated Device Technology Malaysia SDN BHD	5,665,393	4.33%
Polar Multi-Strategy Master Fund	5,227,349	3.99%
Employees	3,693,415	2.82%
Other Investors	400,000	0.31%
Comerica Bank	90,000	0.07%
Total	**130,881,039**	**100.00%**

Notes:
1. An asterisk (*) denotes a shareholding that may be direct or indirect through related co-investment vehicles.
2. Ubiquiti is challenging the conversion of the preferred shares to common shares in the Oppression Litigation (as defined below). As such, the shareholdings listed above may change depending on the outcome of the Oppression Litigation.

15. Peraso's shareholders are parties to a Ninth Amended and Restated Unanimous Shareholders Agreement made as of March 13, 2020 (the "**USA**"). Among other things, the USA stipulates the composition of Peraso's Board of Directors (the "**Peraso Board**").

(ii) Peraso's Products and Services

16. Peraso is in the business of developing the underlying technologies that will power the next generation of wireless internet.

17. At present, Peraso's revenue is primarily derived from engineering services. This is because Peraso remains a developing company and not all of its products are currently

available for sale. Going forward, Peraso anticipates that its revenue will be primarily generated from its two core business segments: (i) software[5] and (ii) chipsets.

18. With respect to Peraso's chipsets, they serve the 60 GHz wireless market. Peraso's core chipsets are the following:

(a) **"W" Series Chipsets**: These chipsets are designed as an alternative to existing wired standards (like USB or HDMI) in consumer electronics devices such as virtual reality headsets, docks, adapters, smartphones and tablets; and

(b) **"X" Series Chipsets**: These chipsets are designed for high performance wireless applications and can create wireless networks with a range of over 1.5 km—significantly higher than most other 60 GHz wireless technology currently on the market.

19. Peraso is in the process of leveraging its expertise with respect to 60 GHz wireless technology to enter the 5G wireless technology market. Some of Peraso's intellectual property that can be leveraged for use in the 5G wireless market includes:

(a) High performance phased array technology operating in the millimeter wave ("**mmWave**") band;[6]

(b) High efficiency, low cost phrased array antennas; and

(c) Low cost mmWave production test systems for use by customers engaged in high volume manufacturing.

(iii) Employees and Contractors

20. As of May 19, 2020, Peraso employed 78 employees and/or contractors. That number is down from December 2019 by 24 people. As part of an effort to reduce costs, the number of

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5 "Software" refers to the programs and other operating information used by computer technology.
6 mmWave refers to the band of high frequency radio frequencies between approximately 30GHz and 300GHz (in Canada, wireless networks operating on the mmWave band are largely confined to the 28 GHz to 71 GHz frequency bands). 5G wireless networks are expected to operate, at least in part, on mmWave bands.

employees was reduced through temporary layoffs (15), elimination of student co-op positions (4) and resignations with no replacements (5).

21. Of the current employees and/or contractors, 64 are analog, digital and software engineers that are critical to the sustainability of business as the key assets of the business intellectual property and product development.

22. Peraso's employees are paid bi-weekly in arrears. All payments to employees and contractors are currently being made and are proposed to continue to be paid in the ordinary course.

23. Peraso's employees are not unionized. Peraso maintains a benefits plan but it does not have a pension plan.

(iv) Peraso's Customers

24. Peraso's largest customer is Ubiquiti and its affiliates. For the second quarter of 2020, I would estimate that roughly 95% of Peraso's component revenue and at least 40% of Peraso's overall revenue is attributable to Ubiquiti.

25. Ubiquiti's position as Peraso's largest customer is largely due to two factors. First, Ubiquiti is one of the largest players in the wireless networking market which, in turn, makes it a large purchaser of chipsets. Second, the Exclusivity Clause in the Licence Agreement (as defined and described below) effectively prevents Peraso from selling certain chipsets to customers other than Ubiquiti. Based on my discussions with Peraso's other customers and other entities in the wireless networking market, I believe that without the Exclusivity Clause, Peraso would have many alternative customers who would purchase the chipsets covered by the Licence Agreement.

26. Peraso is starting to expand its customer base and develop revenue streams independent of Ubiquiti. This remains an ongoing process and it is estimated that Peraso will start seeing the benefits of a more diversified customer base within the next year. This process will be greatly assisted by a determination of the validity and enforceability of the Exclusivity Clause.

C. RELATIONSHIP WITH UBIQUITI

27. Ubiquiti is a corporation incorporated under the laws of the State of Delaware, having a place of business at 685 Third Ave., 27th Floor, New York, NY 10017. Ubiquiti is a publicly traded company (NYSE: UI) that develops and markets professional network hardware and software that is used to create networking infrastructures in 200 countries across the world.

(i) The Peraso-Ubiquiti Transaction

28. On December 21, 2018, Peraso and Ubiquiti entered into a licence agreement (the "**Licence Agreement**"), which was part of a larger transaction (the "**Peraso-Ubiquiti Transaction**") whereby Peraso, Ubiquiti and Ubiquiti's wholly owned subsidiary Ubiquiti Networks Canada Inc. ("**Ubiquiti Canada**") entered into the following additional agreements:

(a) the Class C Series 1 Convertible Preferred Share Subscription Agreement between Peraso and Ubiquiti Canada, dated December 21, 2018 (the "**Subscription Agreement**");

(b) the Letter Agreement in respect of Class C Series 1 Convertible Preferred Share Subscription Agreement sent from Peraso to Ubiquiti Canada, dated December 21, 2018; and

(c) the Master Purchase and Supply Agreement between Peraso and Ubiquiti Cayman Limited, dated December 21, 2018 (the "**Supply Agreement**").[7]

29. Under the Licence Agreement, Peraso would develop certain chipsets as per Ubiquiti's specifications (in addition to granting Ubiquiti certain intellectual property and exclusivity rights). The Licence Agreement included an exclusivity clause (the "**Exclusivity Clause**") that provided, with few exceptions, that Peraso would refrain from manufacturing, distributing,

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[7] The Supply Agreement governs the supply by Peraso of chipset and related products set out in the exhibits to the Supply Agreement pursuant to purchase orders which, under certain circumstances, may be accepted or rejected by Peraso (provided that, under the circumstances in which a purchase order is validly rejected by Peraso, it must provide a basis for such rejection). A non-exclusive intellectual property licence is granted by Peraso in favour of Ubiquiti Cayman Limited providing for, among other things, the right by Ubiquiti Cayman Limited to embed the Peraso goods in or to Ubiquiti's products, and for marketing, distribution and other purposes. The Supply Agreement remains in good standing and has not been terminated.

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offering or selling any of the chipsets covered by the Licence Agreement (defined as "Licenced Chipsets" in the Licence Agreement) in select markets (defined as the "Customer's Market" in the Licence Agreement) other than to Ubiquiti or its affiliates.

30. The Peraso-Ubiquiti Transaction was structured so that, as Peraso achieved each of three defined milestones under the Licence Agreement (the "**First, Second, and Third Tranche Development Milestones**" or "**Tranche Development Milestones**"), Ubiquiti would cause Ubiquiti Canada to purchase certain amounts of Peraso's Class C Series 1 Convertible Preferred Shares ("**Class C Shares**") pursuant to the Subscription Agreement.

31. The Tranche Development Milestones and Ubiquiti's corresponding obligations under the Subscription Agreement were material aspects of the Peraso-Ubiquiti Transaction. They established the sequence of work to be performed by Peraso and provided a predictable flow of capital to Peraso, which at the time was (and remains) in the early stages of generating revenue. Peraso's business depended on the flow of capital outlined in the Subscription Agreement to fund its operations and, more generally, to remain solvent.

32. The First Tranche Development Milestone had been satisfied at the time Peraso and Ubiquiti entered into the Licence Agreement on December 21, 2018. Such satisfaction was memorialized in section 2.1(i) of the Licence Agreement. Accordingly (and in connection with the closing of the Peraso-Ubiquiti Transaction), on December 21, 2018 Ubiquiti Canada purchased 4,583,164 Class C Shares of Peraso for $5,000,000 (representing a price per share of $1.4790 after currency exchange) pursuant to section 2.1(a) of the Subscription Agreement.

33. In connection with the Peraso-Ubiquiti Transaction and Ubiquiti Canada's purchase of 4,583,164 Class C Shares of Peraso, Peraso, Ubiquiti Canada, and the other shareholders of Peraso entered into an Eighth Amended and Restated Unanimous Shareholders Agreement on December 21, 2018 (the "**Eighth USA**"). Among other things, the Eighth USA set out the requirements of the Board of Directors of Peraso. Although Ubiquiti was not a significant shareholder of Peraso, it was nonetheless granted certain limited observer rights in relation to the Peraso Board. A copy of the Eighth USA is attached hereto as **Exhibit "A"**.

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(ii) Ubiquiti's Failure to Meet Its Obligations Under the Licence Agreement

34. On January 29, 2019, Peraso met the Second Tranche Development Milestone and gave proper notice to Ubiquiti under section 2.2 of the Licence Agreement. Pursuant to section 2.2 of the Licence Agreement, Ubiquiti was required, within 30 days, to provide Peraso with written notice of rejection or acceptance of Peraso's satisfaction of the Second Tranche Development Milestone. Ubiquiti did not confirm that the acceptance criteria for the Second Tranche Development Milestone had been satisfied, nor did Ubiquiti provide written notice of a rejection setting forth in adequate detail the reason for such rejection. Peraso's position is that Ubiquiti's failure to give a formal acceptance or rejection of the Second Tranche Development Milestone constituted a material breach of the Licence Agreement.

35. Peraso's achievement of the Second Tranche Development Milestone triggered a payment obligation under which Ubiquiti was obligated to cause Ubiquiti Canada to purchase $2 million of Class C Shares of Peraso. Ubiquiti and Ubiquiti Canada did not make the required $2 million investment.

36. Despite Ubiquiti's breach, Peraso continued working towards the Third Tranche Development Milestone in good faith. Peraso expected that, in the absence of a formal objection to the Second Tranche Development Milestone, payment from Ubiquiti would be forthcoming.

37. In July 2019, Ubiquiti started making unilateral requests to change the deliverables and specifications under the Licence Agreement. Peraso carried on working with Ubiquiti in good faith. On or around August 26, 2019, Ubiquiti started making demands that (i) the chipset specifications be changed; and (ii) that it be given joint and equal ownership rights to the intellectual property covered by the Licence Agreement and any related intellectual property. Ubiquiti indicated that it would cause Ubiquiti Canada to withhold the Third Tranche Development Milestone investment of $8 million in Peraso if its demands were not met, which demands were outside the terms of the Licence Agreement. Peraso and Ubiquiti were unable to come to an agreement with respect to Ubiquiti's demands.

38. On October 31, 2019, Peraso gave proper notice of satisfaction that it achieved the Third Tranche Development Milestone. Accordingly, Ubiquiti had 30 days under section 2.2 of the Licence Agreement to provide a written notice of rejection or acceptance. Once again,

Ubiquiti did not confirm that the acceptance criteria set forth in the Licence Agreement had been met nor did Ubiquiti provide a written notice of rejection. Ubiquiti did not take the position that the Third Tranche Development Milestone had not been met. Ubiquiti's failure to provide the requisite confirmation constituted a material breach of the Licence Agreement. Ubiquiti did not cause Ubiquiti Canada to make the required $8 million investment in Peraso.

(iii) Peraso Obtains First Emergency Funding to Replace Funds Committed by Ubiquiti

39. As memorialized in the Licence Agreement and the Subscription Agreement, Peraso expected that if it satisfied the Second Tranche Development Milestone and the Third Tranche Development Milestone on or before October 31, 2019, Ubiquiti would fund Peraso $10 million in the aggregate. This $10 million investment was essential for Peraso to continue its operations.

40. Given (i) that Ubiquiti had failed to provide its promised funding upon the achievement of the Second Tranche Development Milestone; (ii) Ubiquiti's indications beginning on or around August 26, 2019 that it would not pay the Third Tranche Development Milestone; and (iii) the fact that Peraso had serious concerns about its solvency if the funding promised by Ubiquiti was not provided, Peraso began to explore potential alternative sources of financing on or about October 1, 2019. Peraso informed Ubiquiti of its exploration of financing options, and invited Ubiquiti (among others) to participate in a term sheet whereby Peraso would issue secured notes (the "**2019 Notes**").

41. After October 31, 2019 (when Peraso gave proper notice of satisfaction that it achieved the Third Tranche Development Milestone), Peraso inquired as to whether Ubiquiti would accept or reject the achievement of the Third Tranche Development Milestone and, if not, whether anything further was required from Peraso. Ubiquiti offered some comments with respect to the deliverable itself (but not Peraso's performance with respect to the deliverable), but ultimately failed to issue a written acceptance or rejection of the achievement of the Third Tranche Development Milestone as required by the Licence Agreement. Ubiquiti also failed to purchase any of the $10 million of aggregate Class C Shares that it was obligated to purchase following the satisfaction of the Second and Third Tranche Development Milestones.

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42. Throughout this period, Ubiquiti continued to make ownership demands with respect to Peraso's intellectual property. I am advised by Bill McLean, the former CEO of Peraso, that in early December 2019, Ubiquiti advised him that Ubiquiti did not believe that Peraso had a viable financing plan. Peraso understood Ubiquiti to be holding the financial stability of Peraso hostage in exchange for acquiring the intellectual property rights owned by Peraso under the Licence Agreement.

43. Accordingly, and to avoid insolvency, the members of the Peraso Board exercised their business judgment to obtain the necessary financing and completed the issuance of the 2019 Notes in the aggregate principal amount of $1,748,035.40. The only parties to subscribe to the 2019 Notes were Polar Multi-Strategy Master Fund ("**Polar**") and entities affiliated with Roadmap Capital Inc. ("**Roadmap**"). The 2019 Notes carry an interest rate of 6% per annum and mature on December 31, 2023 (the 2019 Notes originally matured on June 30, 2025 but their terms were amended on March 13, 2020).

44. Despite having the right to participate in the 2019 Notes, Ubiquiti declined to do so.

(iv) Termination of the Licence Agreement and the Licence Litigation

45. On December 11, 2019, Peraso sent a written notice of default to Ubiquiti, demanding cure of its defaults within 30 days. Ubiquiti did not cure the defaults and on January 16, 2020, Peraso terminated the Licence Agreement.

46. On February 6, 2020 Peraso entered into an exclusivity agreement with a potential third-party purchaser (with an exclusivity period ending on March 1, 2020). On or about the same day, Peraso provided notice to Ubiquiti that it had entered into an exclusivity agreement with a potential third-party purchaser.

47. Days later, on February 14, 2020, Ubiquiti filed a complaint against Peraso in the United States District Court for the Southern District of New York ("**SDNY Court**") seeking, among other things: (i) a declaratory judgment holding that the Licence Agreement is in full force and effect; (ii) a declaratory judgment that Peraso is obligated to honour the terms of the Licence Agreement; and (iii) monetary damages (such proceedings in the SDNY Court, the "**Licence Litigation**").

48. I am advised by Bill McLean that following the commencement of the Licence Litigation, the potential purchaser spoke with Ubiquiti. On or about February 21, 2020, the purchaser informed Peraso that it would not move forward with the acquisition of Peraso without first resolving the Licence Litigation.

49. On March 10, 2020, Ubiquiti filed an amended complaint that, among other things, added Bill McLean, William James Whitaker, Shawn Abbott, David Adderley, Imed Zine-El-Abidine and Riadh Zine-El-Abidine personally as defendants (collectively, the "**Peraso Board Defendants**"). Each of these individuals were members of the Peraso Board at the time Peraso terminated the Licence Agreement.

50. The specific allegations made by Ubiquiti can be found in the pleadings filed by Ubiquiti with the SDNY Court, which are attached hereto and marked as **Exhibit "B"**. In summary, however, Ubiquiti alleges that Peraso and its directors were not entitled to terminate the Licence Agreement and seeks, among other things, a declaration that it is not in breach of its obligations under the Licence Agreement, a declaration that Peraso is obligated to make the chipsets contemplated under the Licence Agreement available to Ubiquiti exclusively, and compensatory damages for an estimated $5 million as against each of Peraso and its directors.

51. Peraso and the Peraso Board Defendants deny any allegations of wrongdoing made by Ubiquiti and seek by counterclaim, among other things, a declaration that Peraso fulfilled its obligations under the Licence Agreement, a declaration that Ubiquiti failed to fulfill its obligations under section 2.2 of the Licence Agreement, and compensatory and punitive damages arising from the impacts of Ubiquiti's breach of contract (and other duties) on the value of Peraso's business, its goodwill, and its ability to secure financing. Peraso's Answer to First Amended Complaint and Counterclaims is attached hereto and marked as **Exhibit "C"**.

(v) Peraso Obtains Second Emergency Funding to Replace Funds Committed by Ubiquiti

52. By February 2020, Peraso again faced an imminent risk that it would become insolvent. At this time, it was anticipated that by March 13, 2020, Peraso would be unable to meet all of its obligations as they came due, including its payroll obligations.

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53. In response to Peraso's potential insolvency, on February 28, 2020, Messrs. McLean, Whitaker, and Abbott resigned from the Board of Directors of Peraso due to concerns about their exposure to personal liability. Since then, the Peraso Board has been comprised of four individuals: Riadh Zine-El-Abidine (a Roadmap nominee), Imed Zine-El-Abidine (a Roadmap nominee), David Adderley (a Celtic House Venture Partners nominee), and myself.

54. On March 2, 2020, the disinterested members of the Peraso Board (i.e. David Adderley and myself) approved a term sheet authorizing the offering of convertible notes, which were to be backstopped by Roadmap (the "**2020 Notes**"). The Peraso Board's approval was subject to shareholder approval. The only party to subscribe to the 2020 Notes was Roadmap. The 2020 Notes carry an interest rate of 6% per annum and mature on December 31, 2023.

55. Following board approval, on March 2, 2020, the Peraso Board distributed a Management Information Circular to its shareholders scheduling a shareholder meeting for March 12, 2020 at 8:00 a.m. EST.

56. On March 3, 2020, the Peraso Board distributed a Pre-emptive Rights Notice to its shareholders so that such shareholders could participate on the same terms to subscribe for the 2020 Notes. Ubiquiti declined to participate in this financing.

57. Immediately prior to the close of business on the evening of March 11, 2020—the day before the shareholder meeting—Ubiquiti tendered a bridge loan facility as an alternative source of financing. Ubiquiti's proposal was silent with respect to material terms and contained various conditions that could not be satisfied before March 13, 2020 or at all.

58. Ubiquiti did not attend the March 12, 2020 shareholder meeting where, among other things, shareholders were fully made aware of Ubiquiti's proposal. All of the shareholders present unanimously approved the issuance of the 2020 Notes.

59. On March 13, 2020, the financing closed and Peraso was able to meet certain of its obligations due at that time, including payroll.

(vi) The Oppression Litigation

60. Instead of participating in Peraso's proposed rescue financing, on April 8, 2020, Ubiquiti Canada filed a Statement of Claim with this Court seeking, among other things: (i) a

declaration that certain steps taken by Peraso in securing financing in March 2020 amounted to oppression pursuant to s. 248 of the *Business Corporations Act* (Ontario); and (ii) a declaration that Peraso's shareholder meeting held on March 12, 2020, and any and all votes taken, and resolutions approved, at that meeting are void (such proceedings, the "**Oppression Litigation**").

61. The Oppression Litigation names Peraso, the Peraso Board Defendants, myself, Roadmap and certain entities affiliated to Roadmap as defendants.

62. Ubiquiti Canada's Statement of Claim is attached hereto and marked as **Exhibit "D"**.

63. On May 29, 2020, Peraso served a Statement of Defence, which is attached hereto and marked as **Exhibit "E"**. Peraso denies the allegations contained in the Oppression Litigation. In particular, Peraso denies that the steps it took to obtain the 2020 Notes amounted to oppression, given that, among other things, the 2020 Notes were issued in good faith and as part of an effort to avoid insolvency. Further, the March 12, 2020 shareholder meeting was properly conducted and Ubiquiti was able to participate in the shareholder meeting but opted not to.

(vii) The Notice Litigation

64. In addition to the Licence Litigation and the Oppression Litigation, on February 19, 2020, Ubiquiti Canada filed a Notice of Application with this Court alleging that Peraso was in default of its obligations to provide Ubiquiti Canada, through an observer appointed by Ubiquiti Canada to observe the Peraso Board, with notices of meetings of the Peraso Board and all written information provided to the Peraso Board or any committee thereof (such litigation, the "**Notice Litigation**").

65. Prior to February 2020, Ubiquiti Canada never sought to exercise its observer rights or sign a relevant Confidential Information and Non-Disclosure Agreement ("**NDA**") as required by the terms of the USA. In fact, the first occasion on which Ubiquiti Canada asserted or raised concerns regarding its observer rights under the USA was in its Notice of Application issued February 21, 2020. That application was resolved on consent and Peraso agreed to provide the materials sought by Ubiquiti. Peraso has requested that the observer execute its form of NDA.

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66. On April 20, 2020, Ubiquiti Canada filed a second Notice of Application with this Court alleging that despite requests from counsel for Ubiquiti Canada, Peraso failed to provide Ubiquiti Canada with access to its books and records required to be maintained pursuant to s. 140(1) of the *Ontario Business Corporations Act*, R.S.O. 1990, c. B.16 ("**OBCA**"). An initial hearing with respect to this application was heard by this Court, at which time Peraso indicated its intention to provide Ubiquiti with the requested materials. Peraso has since provided Ubiquiti with certain of the requested materials. I understand that at this time, no follow-up hearing has been scheduled.

D. FINANCIAL STATUS

67. A copy of Peraso's audited financial statements as of December 31, 2019 are attached hereto as **Exhibit "F"**. For the fiscal year 2019, Peraso generated $506,000 in gross revenue, and a net loss of over $26 million. As a business that is still in its development phase, Peraso's expenses are high (in anticipation of future growth) but its revenues are still low, which results in a large net loss. Peraso's expenses in 2019 included $10.2 million for research and development and $1.6 million for marketing.

(i) Assets

68. As at December 31, 2019 (as noted in Peraso's balance sheet attached as Exhibit "F"), Peraso had approximately $8.9 million of assets on its balance sheet. Approximately $3 million of assets were property and equipment, $1.9 million was cash and cash equivalents.

69. In addition, Peraso has approximately 45 patent applications and has been granted approximately 25 patents (many of which are related to next-generation wireless technology).

(ii) Liabilities

70. As at the date of this affidavit, Peraso had liabilities totalling approximately $6.9 million.

Secured Indebtedness

71. As of late May 2020, Peraso was indebted to Roadmap in the approximate amount of $1 million and to Polar in the approximate amount of $748,035.40 on account of the 2019

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Notes. In addition, Peraso owes approximately $3,885,000 to Roadmap on account of the 2020 Notes.

72. The 2019 Notes and the 2020 Notes rank equally in priority to one another. Both notes are secured by a general security interest in all present and after acquired property and assets of Peraso.

73. Attached hereto as **Exhibit "G"** is a copy of the search of the Ontario Personal Property Security Act Registry conducted on May 24, 2020 in respect of Peraso.

74. Peraso does not maintain any open credit facilities.

Unsecured Indebtedness

75. As at the date of this affidavit, Peraso had unpaid unsecured obligations, (including accounts payable) of approximately $1.2 million.

76. Further, Ubiquiti is seeking monetary damages from Peraso in amounts in excess of $5 million in the Licence Litigation. Ubiquiti has not quantified its requested damages with respect to the Oppression Litigation.

E. PERASO'S NEED FOR CCAA PROTECTION

77. Peraso's financial challenges began in 2019 with Ubiquiti's breach of the Licence Agreement and failure to fund its committed investments. Ubiquiti's failure to invest in Peraso upon the completion of the Second and Third Tranche Development Milestones resulted in Peraso not receiving a total of $10 million of promised investment. This was extremely detrimental to Peraso's financial health, as Peraso had incurred costs under the Licence Agreement with the expectation of receiving the committed investment from Ubiquiti.

78. While the issuance of the 2020 Notes provided Peraso with crucial funding, the 2020 Notes only provided Peraso with enough liquidity to survive until approximately late June 2020. Peraso needs additional financing if it is to continue operating past that date, but it has been unable to obtain financing or consummate any other viable transactions due to, among other things, the on-going Licence Litigation and the Oppression Litigation. That litigation remains far from resolved and, unlike Ubiquiti, Peraso does not, in its current state, have the

means to continue the litigation (and any other claims Ubiquiti may choose to assert against Peraso).

79. I and certain other directors of Peraso have spoken with multiple potential sources of financing, including at least seven of Peraso's existing shareholders and/or lenders regarding obtaining additional financing for Peraso. All have declined to invest any additional funds into Peraso at this time and outside of a court-approved process.

80. Similarly, Peraso has been unable to commence meaningful discussions with potential purchasers. In addition to the third-party purchaser who terminated discussions in February 2020, Peraso engaged in discussions with another large public US technology company which expressed a strong interest in Peraso's technology; however, that party also advised Peraso that it would not do any type of deal with Peraso while the Licence Litigation remained on-going.

81. In my discussions with potential financiers and purchasers, they have informed me that the Licence Litigation and Oppression Litigation deter them from entering into transactions with Peraso for the following reasons:

(a) the Licence Litigation brings into question the enforceability of the Exclusivity Clause, which creates uncertainty for investors and acquirors. Peraso is, quite simply, too risky for an investor or acquiror. If, for example, the Exclusivity Clause is enforceable, then Peraso would effectively be limited to selling the products covered by the Exclusivity Clause to Ubiquiti and its affiliates. If Ubiquiti's demand for these products dropped, Peraso could not make up for lost sales by relying on other customers. This is a serious concern because Ubiquiti accounts for approximately 95% of Peraso's component revenue; and

(b) the Oppression Litigation brings into question Peraso's capitalization structure and the powers of its minority shareholders, which again creates uncertainty. This contributes to the impression that financing Peraso is too risky.

82. Peraso also explored government grants available to companies such as Peraso as potential sources of financing. All applications and discussions regarding such grants made

enquiries about Peraso's on-going litigation with Ubiquiti. At this time, I do not believe Peraso will be able to obtain any government assistance in the short term, if ever.

83. Further, the COVID-19 pandemic has exacerbated Peraso's (and others') efforts to obtain financing or engage in a strategic transaction because financial markets have become significantly more risk-averse.

84. In summary, the Licence Litigation and the Oppression Litigation impair Peraso's ability to sell its products to customers other than Ubiquiti, deter potential purchasers from acquiring Peraso, and effectively prevent Peraso from obtaining viable financing.

85. The resolution of the Licence Litigation and Oppression Litigation would make Peraso a more attractive candidate for an acquisition or for additional financing. Further, I firmly believe that if the Exclusivity Clause was found to be unenforceable, then Peraso could quickly find new customers and increase its revenue.

86. Given the above, Peraso is seeking CCAA protection to (i) stabilize its liquidity position under Court supervision; and (ii) resolve the claims asserted against it in the Licence Litigation and the Oppression Litigation within these CCAA Proceedings. Once CCAA protection is obtained (and subsequently, once the Licence Litigation and the Oppression Litigation are resolved), I expect Peraso's prospects of raising additional funds and/or finding a purchaser for its assets to improve dramatically. I believe this will result in maximization of value for all of Peraso's stakeholders, including its shareholders.

(i) Peraso is Insolvent

87. Peraso's current revenues for 2020 as of late May are approximately $2 million. Peraso's monthly cash burn is approximately $1 million, and it has cash reserves of less than $1.4 million. Given these factors, Peraso is anticipated to run out of cash by late June 2020—meaning it will be unable to meet payroll or to fund its continued operations past that date.

(ii) Peraso is a Viable Business

88. Peraso is a viable business. Its products remain at the forefront of the 60 GHz wireless market, and its entry into the 5G wireless market is expected to be similarly successful.

Overall, Peraso is positioned to be a market leader for the next generation of wireless technology.

(iii) Funding the CCAA Proceedings

89. Peraso is not seeking debtor-in-possession ("**DIP**") financing as part of this Initial Order; however, Peraso anticipates a need for DIP financing in the short term. Peraso has had discussions with parties who indicated they will be prepared to advance funds if CCAA protection is obtained. As such, Peraso intends to return to this Court for approval of DIP financing at a subsequent hearing.

F. CASH FLOWS

90. A four-week cash flow projection (the "**Cash Flow Statement**") was prepared by Peraso in consultation with Ernst & Young Inc. ("**EY**"), the proposed court-approved Monitor in these proceedings (the "**Monitor**"), for the period from May 30, 2020 to the week ending June 26, 2020. During this time, Peraso's estimated primary uses of cash will consist of the payment of ongoing day-to-day operational expenses and professional fees and disbursements in connection with these CCAA Proceedings. A copy of the Cash Flow Statement is attached hereto and marked as **Exhibit "H"**.

91. As of June 26, 2020, Peraso will have an estimated $55,100 of cash on hand. The Cash Flow Statement projects that, subject to obtaining the relief outlined herein, Peraso will have sufficient cash to fund its projected operating costs until the end of the stay period.

G. CASH MANAGEMENT SYSTEM

92. In the ordinary course of its business, Peraso uses a centralized cash management system (the "**Cash Management System**") to, among other things, collect funds and pay expenses associated with its operations. The Cash Management System gives Peraso the ability to efficiently and accurately track and control corporate funds and ensure cash availability.

93. Peraso maintains two bank accounts with Comerica Incorporated.

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H. THE PROPOSED INITIAL ORDER

(i) Engagement of Ernst & Young Inc.

94. EY has consented to act as the Monitor, subject to Court approval.

95. EY is a trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act* as amended and is not subject to any of the restrictions on who may be appointed as Monitor set out in section 11.7(2) of the CCAA. I am advised by Maria Konyukhova of Stikeman Elliott LLP, counsel to Peraso, that EY has extensive experience in matters of this nature, including in cross-border restructuring proceedings, and is therefore well-suited to this mandate.

(ii) Reduced Restructuring Provisions in Proposed Initial Order

96. I am advised by counsel that, in line with current practice since the amendments to the CCAA came into force on November 1, 2019, Peraso is seeking a "skinny" form of Initial Order, which seeks only the relief reasonably necessary for the first 10 days until the hearing of the Comeback Motion (as defined below), and does not contain some of the more fulsome restructuring language found in the Initial Order developed by the model order subcommittee of the Commercial List Users' Committee of the Ontario Superior Court of Justice (the "**Model Initial Order**"). Similar to the Model Initial Order, the proposed Initial Order provides the Monitor with broad powers to, among other things, monitor Peraso's receipts and disbursements and advise Peraso in the preparation of cash flow statements.

(iii) Administration Charge

97. Peraso seeks a charge on Peraso's assets, property and undertakings (the "**Property**") in the maximum amount of C$200,000 to secure the fees and disbursements incurred in connection with services rendered to Peraso both before and after the commencement of the CCAA Proceedings Canadian and US counsel to Peraso, EY as the proposed Monitor and Canadian and US counsel to the proposed Monitor (the "**Administration Charge**").

98. Peraso worked with the proposed Monitor to estimate the proposed quantum of the Administration Charge. The proposed Monitor has reviewed the quantum of the Administration Charge and believes it is reasonable and appropriate in view of the

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complexities of Peraso's CCAA Proceedings and the services to be provided by the beneficiaries of the Administration Charge.

99. The proposed Initial Order provides that the Administration Charge shall rank first on the Property of Peraso.

(iv) Directors' Charge

100. Peraso believes that an orderly restructuring will only be possible with the continue participation of the Peraso Board and key management and employees who are essential to the viability of the restructuring of Peraso's business.

101. I am advised by counsel to Peraso and believe that in certain circumstances, directors and officers can be held personally liable for certain obligations of a company, including in respect of amounts owing to (i) employees, including unpaid wages, termination and severance amounts, pension amounts and accrued vacation pay; and (ii) the federal and provincial governments, including payroll remittances, harmonized sales taxes, withholding taxes and workers' compensation remittances.

102. To mitigate liability issues with respect to Peraso's directors and officers ("**Peraso's D&Os**"), Peraso maintains directors' and officers' insurance. At present, Peraso's D&O insurance provides for a total of C$2 million in coverage. I, along with other directors and officers, am concerned that this amount of insurance may be insufficient if Peraso's D&Os are found responsible for the full amount of the potential liabilities to which they are exposed.

103. Peraso's D&Os have indicated that, due to the potential for significant personal liability, they cannot continue their service and involvement in this restructuring unless the Initial Order grants them certain protections that are commonly granted to directors and officers of companies involved in proceedings under the CCAA.

104. As such, the proposed Initial Order contemplates a charge on the property of the debtor in the amount of C$650,000 (the "**Directors' Charge**"). The Directors' Charge is proposed to rank second in priority on the Property.

105. I am advised by Ms. Konyukhova that the provisions as they relate to the Directors' Charge are standard provisions that have the effect of staying all proceedings against Peraso's

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D&Os and granting an indemnity with respect to all post-filing claims that may arise against Peraso's D&Os in their capacity as Peraso's D&Os.

106. The Directors' Charge will allow Peraso to continue to benefit from the efforts and knowledge of their director and officers, and it will promote the ongoing stability of Peraso's business during these CCAA Proceedings. Peraso and the proposed Monitor believe the Directors' Charge is reasonable in the circumstances.

107. Finally, it is crucial that the former directors of Peraso be included in the stay of proceedings. As noted above, certain former directors of Peraso are listed as defendants in the Licence Litigation and the Oppression Litigation. As such, it is necessary that these individuals benefit from a stay of proceedings so that the Licence Litigation and Oppression Litigation does not contain as against them while it is stayed against Peraso and its current directors.

(v) Ranking of the Court Ordered Charges

108. The proposed ranking of the court ordered charges is as follows:

(a) Administration Charge; and

(b) Directors' Charge.

(vi) Chapter 15 Proceeding

109. Should the Initial Order be granted, Peraso intends to initiate the Chapter 15 Proceedings in the US Court seeking, among other things: (i) recognition of this CCAA proceeding as a foreign main proceeding pursuant to the Bankruptcy Code; (ii) recognition and enforcement of the Initial Order; and (iii) other appropriate relief under the Bankruptcy Code.

110. The proposed Initial Order provides that the Monitor will be appointed as the "foreign representative" for the purposes of the Chapter 15 Proceedings.

111. Peraso's primary connection to the United States is the Licence Litigation, which is being litigated in the SDNY Court because the Licence Agreement is governed by and

interpreted in accordance with the laws of the State of New York. Additionally, Peraso's counterclaim for damages against Ubiquiti is a substantial United States-based asset.

112. The Chapter 15 Proceedings are necessary to ensure that, if the Initial Order is granted, this Court's stay of proceedings is recognized and enforced in the United States generally and the SDNY Court in particular.

113. Other than the Licence Litigation, Peraso's connection to the United States is largely limited to (i) its Vice President of Finance, who is a United States resident and a full-time employee of Peraso; (ii) two United States-based contractors; and (iii) approximately $7,500 held as a retainer at Hodgson Russ LLP, US counsel to Peraso. Peraso does not maintain an office in the United States. Substantively the vast majority of Peraso's business operations, employees and assets are located in Ontario.

I. COMEBACK MOTION

114. Peraso intends to return to Court on June 12, 2020 or as soon after that as the Court's availability will permit on notice to the service list for a motion (the "**Comeback Motion**") seeking, among other things:

(a) expansion of the Initial Order to include the more fulsome restructuring provisions found in the Model Order;

(b) approval of DIP financing; and

(c) extending the stay of proceedings granted in the Initial Order.

I confirm that while connected via video technology, Ronald Glibbery showed me the front and back of his government-issued photo identity document and that I am reasonably satisfied it is the same person and the document is current and valid. I confirm that I have reviewed each page of this affidavit with Ronald Glibbery and verify that the pages are identical. Affirmed before me by video conference from the City of Toronto, Ontario, to the Community of Eugenia (Grey County), Ontario, on June 2, 2020.	)	
DocuSigned by: Nicholas Avis 2C12EFAB5242430... **Nicholas Avis** Commissioner for Taking Affidavits in the Province of Ontario	)	DocuSigned by: Ronald Glibbery D41573EE6574469... **RONALD GLIBBERY**

EXHIBIT "A"

EXHIBIT "A"

referred to in the Affidavit of

RONALD GLIBBERY

Sworn June 2, 2020

DocuSigned by:

Nicholas Avis

2C12EFAB5242430...

Commissioner for Taking Affidavits

Execution Copy

PERASO TECHNOLOGIES INC.

EIGHTH AMENDED AND RESTATED
UNANIMOUS SHAREHOLDERS AGREEMENT

Made as of December 21, 2018

PERASO TECHNOLOGIES INC.

EIGHTH AMENDED AND RESTATED UNANIMOUS SHAREHOLDERS AGREEMENT

THIS EIGHTH AMENDED AND RESTATED SHAREHOLDERS AGREEMENT is made as of the 21st of December, 2018 between Peraso Technologies Inc., a corporation incorporated under the laws of the Province of Ontario (the "Corporation"); Sorin Voinigescu, an individual residing in the city of Toronto, in the Province of Ontario ("Voinigescu"); The Voinigescu Family Trust, a trust created in accordance with the laws of the Province of Ontario (the "Voinigescu Family Trust"); Ronald Glibbery, an individual residing in the city of Toronto, in the Province of Ontario ("Glibbery"); The Glibbery Family Trust, a trust created in accordance with the laws of the Province of Ontario (the "Glibbery Family Trust"); each of the holder of Common Shares listed on Schedule "A-1" attached hereto; each Investor listed on Schedule "A" annexed hereto; and any person who becomes a party hereto by executing an acknowledgement in the form annexed hereto as Schedule "B".

RECITALS:

WHEREAS the Family Trusts, Andreea Balteanu ("Balteanu"), Ekaterina Laskin ("Laskin"), Bradley Lynch ("Lynch"), Ioannis Sarkas ("Sarkas"), Alexander Tomkins ("Tomkins") and the Corporation entered into a Shareholders' Agreement made as of January 1, 2009 (the "Prior Shareholders Agreement");

AND WHEREAS on October 1, 2009, the Corporation completed the closing of a financing consisting of the issuance to CHVP III, CHVP SRL, iNovia and VentureLink of Class A Preferred Shares and warrants of the Corporation;

AND WHEREAS the Family Trusts, Balteanu, Laskin, Lynch, Sarkas, Tomkins, CHVP III, CHVP SRL, iNovia, VentureLink and the Corporation entered into a First Amended and Restated Unanimous Shareholders Agreement dated as of October 1, 2009 (the "First Amended Shareholders Agreement") which amended and restated the Prior Shareholders Agreement;

AND WHEREAS on November 19, 2010, the Corporation completed the closing of a financing consisting of the issuance to certain of the Investors of Class B Series 1 Convertible Preferred Shares (Convertible Promissory Notes (as defined therein) in the case of OCGC) and Warrants of the Corporation;

AND WHEREAS CHVP III, CHVP SRL, iNovia, VentureLink, OCGC, the Corporation and certain other signatories thereto entered into a Second Amended and Restated Unanimous Shareholders Agreement dated as of November 19, 2010 (the "Second Amended Shareholders Agreement") which amended and restated the First Amended Shareholders Agreement;

AND WHEREAS in accordance with the terms and conditions of the First Amended Shareholders Agreement all parties to the First Amended Shareholders Agreement were bound by the Second Amended Shareholders Agreement;

AND WHEREAS on July 25, 2012, the Corporation completed the closing of a financing consisting of the issuance to certain of the Investors and CHVP SRL of Class B Series 1 Convertible Preferred Shares of the Corporation;

AND WHEREAS CHVP III, CHVP SRL, iNovia, VentureLink, OCGC, the Corporation and certain other signatories thereto entered into a Third Amended and Restated Unanimous Shareholders Agreement dated as of July 25, 2012 (the "Third Amended Shareholders Agreement") which amended and restated the Second Amended Shareholders Agreement;

AND WHEREAS in accordance with the terms and conditions of the Second Amended Shareholders Agreement all parties to the Second Amended Shareholders Agreement were bound by the Third Amended Shareholders Agreement;

AND WHEREAS on or about December 19, 2012, CHVP SRL transferred all of the Class A Preferred Shares and Class B Preferred Shares held by it in the capital of the Corporation to CHVP U.S.;

AND WHEREAS on June 28, 2013, the Corporation completed the closing of a financing consisting of the issuance to the Investors of Class B Series 1 Convertible Preferred Shares of the Corporation;

AND WHEREAS the Investors, the Corporation and certain other parties thereto entered into a Fourth Amended and Restated Unanimous Shareholders Agreement dated June 28, 2013 (the "Fourth Amended Shareholders Agreement") which amended and restated the Third Amended Shareholders Agreement;

AND WHEREAS in accordance with the terms and conditions of the Third Amended Shareholders Agreement all parties to the Third Amended Shareholders Agreement were bound by the Fourth Amended Shareholders Agreement;

AND WHEREAS, pursuant to the Class B 2015 Subscription Agreement, the Corporation completed a financing consisting of the issuance to each of the CHVP III, CHVP U.S., iNovia II, iNovia II-A, iNovia II-B, VentureLink, OCGC and Roadmap I of Class B Series 1 Convertible Preferred Shares of the Corporation, which financing was completed in four tranches in accordance with the Class B 2015 Subscription Agreement;

AND WHEREAS CHVP III, CHVP U.S., iNovia II, iNovia II-A, iNovia II-B, VentureLink, OCGC, Roadmap, the Corporation and certain other parties thereto entered into a Fifth Amended and Restated Unanimous Shareholders Agreement dated January 10, 2014, as amended on July 11, 2014 and on November 17, 2014 (the "Fifth Amended Shareholders Agreement") which amended and restated the Fourth Amended Shareholders Agreement;

AND WHEREAS in accordance with the terms and conditions of the Fourth Amended Shareholders Agreement all parties to the Fourth Amended Shareholders Agreement were bound by the Fifth Amended Shareholders Agreement;

AND WHEREAS, on September 30, 2014, the Corporation completed the closing of a financing consisting of the issuance to Roadmap LP of Class B Series 1 Convertible Preferred Shares of the Corporation;

AND WHEREAS, on October 28, 2014, the Corporation completed the closing of a financing consisting of the issuance to Roadmap LP and Roadmap US of Class B Series 1 Convertible Preferred Shares of the Corporation;

AND WHEREAS, on November 17, 2014, the Corporation completed the closing of a financing consisting of the issuance to CHVP III, CHVP U.S., VentureLink, OCGC, Roadmap Peraso LP, Roadmap II and Roadmap Innovation of Class B Series 1 Convertible Preferred Shares of the Corporation and the issuance to Roadmap Capital Inc. of certain warrants to purchase Class B Series 1 Convertible Preferred Shares of the Corporation;

AND WHEREAS on March 4, 2016, the Corporation completed the closing of the first tranche of a financing, such tranche consisting of the issuance to IDT of Class C Series 1 Convertible Preferred Shares of the Corporation, and followed by multiple tranches involving the issuance of Class C Series 1 Convertible Preferred Shares to Roadmap, iNovia, CHSVP LP, Qorvo International Pte. Ltd. and Polar Multi-Strategy Master Fund;

AND WHEREAS the Corporation and certain other parties thereto entered into a Sixth Amended and Restated Unanimous Shareholders Agreement dated March 4, 2016, as amended on March 3, 2017 (the "Sixth Amended Shareholders Agreement") which amended and restated the Fifth Amended Shareholders Agreement;

AND WHEREAS in accordance with the terms and conditions of the Sixth Amended Shareholders Agreement all parties to the Fifth Amended Shareholders Agreement were bound by the Sixth Amended Shareholders Agreement;

AND WHEREAS on July 16, 2018, the Corporation completed the closing of the first tranche of a financing, such tranche consisting of the issuance to Qorvo International Pte. Ltd. of Class C Series 1 Convertible Preferred Shares of the Corporation;

AND WHEREAS the Corporation and the Shareholders entered into a Seventh Amended and Restated Unanimous Shareholders Agreement dated July 16, 2018, (the "Seventh Amended Shareholders Agreement") which amended and restated the Sixth Amended Shareholders Agreement;

AND WHEREAS in accordance with the terms and conditions of the Seventh Amended Shareholders Agreement all parties to the Sixth Amended Shareholders Agreement were bound by the Seventh Amended Shareholders Agreement;

AND WHEREAS the parties hereto wish to amend and restate the Seventh Amended Shareholders Agreement, to record their agreement as to the manner in which the Corporation's affairs are to be conducted and to agree upon the terms on which the securities of the Corporation, now or hereafter outstanding and held by them, will be held, transferred and voted;

AND WHEREAS in accordance with the terms and conditions of the Seventh Amended Shareholders Agreement all of the parties to the Seventh Amended Shareholders Agreement shall be bound by this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the mutual covenants and agreements herein contained the parties hereto covenant and agree as follows:

ARTICLE 1
DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Definitions

Whenever used in this Agreement, the following words and terms have the meanings set out below:

(a) "Act" means the *Business Corporations Act* (Ontario), as the same may be amended from time to time;

(b) "Additional Securities" has the meaning ascribed in Section 6.3(a);

(c) "Affiliate" has the meaning ascribed to such term in the Act;

(d) "Agreement" means this Eighth Amended and Restated Unanimous Shareholders Agreement and all attached schedules and all instruments supplemental to or in amendment or confirmation of this Agreement;

(e) "arm's length" has the meaning that it has for purposes of the *Income Tax Act* (Canada);

(f) "Articles" means the articles of incorporation of the Corporation, as amended from time to time;

(g) "Board" means the board of directors of the Corporation, as the same may be constituted from time to time in accordance with this Agreement;

(h) "Business Day" means any day except Saturday, Sunday or any statutory holiday in the Province of Ontario;

(i) "CHSVP LP" means Celtic House SPV II Limited Partnership;

(j) "CHVP" means CHVP III and CHVP U.S., acting in concert;

(k) "CHVP III" means Celtic House Venture Partners Fund III L.P.;

(l) "CHVP SRL" means Celtic House Venture Partners (Barbados) SRL;

(m) "CHVP U.S." means Celtic House Venture Partners Fund III (U.S.) L.P.;

(n) "Class A Preferred Shares" means the Class A Convertible Preferred Shares in the capital of the Corporation;

(o) "Class B 2012 Subscription Agreement" means the Class B Series 1 Convertible Preferred Share Subscription Agreement dated July 25, 2012 between the Corporation and the Institutional Investors (as at July 25, 2012), as amended from time to time;

(p) "Class B 2013 Subscription Agreement" means the Class B Series 1 Convertible Preferred Share Subscription Agreement dated June 28, 2013 between the Corporation and the Institutional Investors (as at June 28, 2013), as amended from time to time;

(q) "Class B 2014 Subscription Agreement" means the Class B Series 1 Convertible Preferred Share Subscription Agreement dated January 10, 2014 between the Corporation and the Institutional Investors (as at January 10, 2014), as amended from time to time;

(r) "Class B Preferred Shares" means the Class B Convertible Preferred Shares in the capital of the Corporation including, without limitation, the Class B Series 1 Convertible Preferred Shares in the capital of the Corporation;

(s) "Class C Subscription Agreements" means the Class C Series 1 Convertible Preferred Share Subscription Agreements dated March 4, 2016, or otherwise forming part of the offering of Class C Preferred Shares which had its initial closing on March 4, 2016, between the Corporation and certain of the Institutional Investors, as amended from time to time;

(t) "Class C Preferred Shares" means the Class C Series 1 Convertible Preferred Shares in the capital of the Corporation;

(u) "Common Shares" means the Common Shares in the capital of the Corporation;

(v) "Competitor" means any Person which is, at the relevant time, engaged in the design, development, marketing, sale or licensing of any products or services that are in form and function competitive with any of the products and services that are marketed and sold or licensed by the Corporation or any product or service that is known by a Shareholder to be under development by the Corporation;

(w) "Control" means: (a) with respect to any corporation, the ownership, beneficially and legally, of voting securities in the capital of such corporation, to which are attached more than fifty percent (50%) of the votes that may be cast to elect the directors of such corporation and such votes are sufficient (if exercised) to elect a majority of the directors; and (b) with respect to a partnership, trust, syndicate or other entity, actual power or authority to manage and direct the affairs of, or ownership of more than fifty percent (50%) of the beneficial interest in such entity;

(x) "Family Members" means, in respect of an individual, any parent, spouse, child, spouse of a child, grandchild and/or sibling;

(y) "Family Trusts" means the Voinigescu Family Trust and the Glibbery Family Trust, and "Family Trust" means any one of them;

(z) "First Amended Shareholders Agreement" has the meaning ascribed in the recitals;

(aa) "Founders" means Voinigescu and Glibbery, and "Founder" means any one of them;

(bb) "Founder Shares" means all Common Shares held by the Family Trusts on the date of this Agreement;

(cc) "Fourth Amended Shareholders Agreement" has the meaning ascribed in the recitals;

(dd) "Fully Diluted Investor Securities" means the Common Shares issued or issuable as Investor Securities and the Common Shares issued or issuable, directly or indirectly, on the conversion of the Investor Securities (other than any Common Shares issued or issuable pursuant to Section 2.4 of the Class A Preferred Share Subscription Agreement, Section 2.4 of the Class B 2010 Subscription Agreement), as if, at any time prior to the expiry of the Warrants, the Warrants have been exercised to the fullest extent and all underlying securities issued;

(ee) "Fully Diluted Shares" means the Fully Diluted Investor Securities, the Founder Shares and any other Common Shares issued and outstanding from time to time;

(ff) "IDT" means Integrated Device Technology Malaysia Sdn Bhd, a Malaysian limited company with a registered address at 51-21-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang, Malaysia;

(gg) "Independent" means an individual: (i) who holds less than one percent (1%) of the Fully Diluted Shares of the Corporation (excluding Shares received as director's compensation, whether directly or on the exercise of an option); (ii) who is not an officer or employee of the Corporation; and (iii) unless otherwise agreed by a Preferred Majority, is not an associate, spouse, officer, director, principal, partner or employee of any Shareholder;

(hh) "Initial Public Offering" shall mean the Corporation's first underwritten public offering of its Common Shares pursuant to a registration statement that has been declared effective under the United States Securities Act of 1933 or a prospectus filed under applicable Canadian securities laws in respect of which a (final) receipt has been obtained, accompanied by the listing of the Common Shares on the Toronto Stock Exchange and/or the Nasdaq National Market and/or the New York Stock Exchange and/or the London Stock Exchange/AIM and/or any other stock exchange or market approved in writing by a Preferred Majority;

(ii) "iNovia" means each of iNovia II, iNovia II-A, iNovia II-B and any special purpose vehicle used by any iNovia entity for the purpose of making investments in the Corporation, as applicable, acting in concert;

(jj) "iNovia II" means iNovia Investment Fund II, Limited Partnership;

(kk) "iNovia II-A" means iNovia Investment Fund II-A, Limited Partnership;

(ll) "iNovia II-B" means iNovia Investment Fund II-B, Limited Partnership;

(mm) "Institutional Investor" means each of CHVP III, CHVP U.S., iNovia, VentureLink, OCGC, Qorvo, Ubiquiti, Roadmap, IDT and Polar and any of their respective Permitted Transferees pursuant to Section 6.4(a), so long as such Institutional Investor holds Investor Securities;

(nn) "Investor" means each Person listed on Schedule "A" annexed hereto under the heading "Investors", so long as such Person holds Investor Securities, together with any other

Person that becomes a Party to this Agreement as a holder of Investor Securities (including Permitted Transferees of Investor Securities), and "Investors" means all of such Persons collectively;

(oo) "Investor Nominees" means the CHVP Nominee, the iNovia Nominee, the VentureLink Nominee and the Roadmap Nominee (as each is defined in Section 4.1) and "Investor Nominee" means any one of such Persons;

(pp) "Investor Securities" means: (i) the Class A Preferred Shares held by the Investors; (ii) the Class C Preferred Shares issued and sold pursuant to the Class C Subscription Agreement; (iii) the Class C Preferred Shares issued and sold pursuant to the Qorvo 2018 Subscription Agreement; (iv) the Class C Preferred Shares issued and sold pursuant to the Ubiquiti 2018 Subscription Agreement; (v) the Class B Series 1 Convertible Preferred Shares issued and sold pursuant to the Roadmap 2014 Subscription Agreements; (vi) the Class B Series 1 Convertible Preferred Shares issued and sold pursuant to the Class B 2014 Subscription Agreement; (vii) the Class B Series 1 Convertible Preferred Shares issued and sold pursuant to the Class B 2013 Subscription Agreement; (viii) the Class B Series 1 Convertible Preferred Shares issued and sold pursuant to the Class B 2012 Subscription Agreement; (ix) the Class B Series 1 Convertible Preferred Shares issued and sold pursuant to the Class B 2010 Subscription Agreement (including, but only if, as and when issued, the Tranche 2 Shares); (x) the Warrant Shares; and (xi) any other securities of the Corporation issued to or otherwise acquired by any of the Investors from time to time (but not including, for greater certainty any Common Shares issued or issuable pursuant to Section 2.4 of the Class A Preferred Share Subscription Agreement or Section 2.4 of the Class B 2010 Subscription Agreement);

(qq) "License and Development Agreement" means the License and Development Agreement between the Corporation and Ubiquiti Networks, Inc. dated on or about the date hereof, as may be amended or amended and restated from time to time;

(rr) "Major Shareholder" means OCGC, Qorvo, Ubiquiti, and each Party: (i) holding, or having the right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants), at least five percent (5%) of the Fully Diluted Shares at the applicable time or (ii) that is a Founder and is either holding, or is a Principal of a Family Trust that is holding, Common Shares comprising at least five percent (5%) of the Fully Diluted Shares at the applicable time;

(ss) "Master Purchase and Supply Agreement" means the Master Purchase and Supply Agreement between the Corporation and Ubiquiti Cayman Limited dated on or about the date hereof, as may be amended or amended and restated from time to time;

(tt) "OCGC" means Ontario Capital Growth Corporation;

(uu) "Ontario Company" means a company that has the following attributes:

(i) the company pays 50% or more of its wages, salaries and fees to employees and contractors whose ordinary place of work is a permanent establishment of the company in the Province of Ontario;

(ii) the majority of the company's full-time employees are located in the Province of Ontario;

(iii) the majority of the company's Senior Officers maintain their principal residence (within the meaning of the Income Tax Act (Canada)) in the Province of Ontario; and

(iv) the company is not a reporting issuer;

(vv) "Ontario Repurchase Price" has the meaning ascribed in Section 5.3(n);

(ww) "Parties" means, collectively, the Shareholders, the Founders and the Corporation and any other Person that is or becomes a party to this Agreement, and "Party" means any one of them;

(xx) "Permitted Additional Securities" means:

(i) any Common Shares issued or issuable on the exercise of options pursuant to the Stock Plan;

(ii) any Additional Securities offered to the public pursuant to a Qualifying Public Offering;

(iii) any Additional Securities issued on the conversion of, or as a dividend or distribution on, the Class A Preferred Shares, or, if applicable, as a result of the adjustment of the Conversion Price (as such term is defined in the Articles);

(iv) any Additional Securities issued on the conversion of, or as a dividend or distribution on, the Class B Preferred Shares, or, if applicable, as a result of the adjustment of the Conversion Price (as such term is defined in the Articles);

(v) any Additional Securities issued on the conversion of, or as a dividend or distribution on, the Class C Preferred Shares, or, if applicable, as a result of the adjustment of the Conversion Price (as such term is defined in the Articles);

(vi) any Additional Securities issued in connection with equipment lease financing arrangements, credit arrangements, debt financings, or other commercial transactions approved in good faith by the Board, or otherwise to strategic partners, customers, suppliers, landlords, lenders or lessors pursuant to agreements approved in good faith by the Board (which Board approval must include the affirmative vote or written consent of at least two Investor Nominees), provided, that, any such transaction must be for non-financing purposes;

(vii) any Additional Securities issued for consideration other than cash pursuant to a merger, amalgamation, consolidation, or acquisition of a business or any assets or properties or technology, or similar business combination, in any case approved in good faith by the Board (which Board approval must include the affirmative vote or written consent of at least two Investor Nominees);

(viii) the Tranche 2 Shares and the Warrant Shares;

(ix) any Common Shares issued or issuable pursuant to Section 2.4 of the Class A Preferred Share Subscription Agreement;

(x) any Common Shares issued or issuable pursuant to Section 2.4 of the Class B 2010 Subscription Agreement;

(xi) any securities of the Corporation issued or issuable on the exercise or conversion of any convertible securities issued or issuable by the Corporation after the date of this Agreement;

(xii) any Class C Preferred Shares issued or issuable pursuant to the Qorvo 2018 Subscription Agreement; and

(xiii) any Class C Preferred Shares issued or issuable pursuant to the Ubiquiti 2018 Subscription Agreement.

(yy) "Permitted Transferee" means any Person to whom Securities are transferred pursuant to Section 6.4;

(zz) "Person" includes any individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural Person in his capacity as trustee, executor, administrator, or other legal representative;

(aaa) "Polar" means Polar Multi-Strategy Master Fund;

(bbb) "Preferred Approval" has the meaning ascribed to such term in Section 2.6;

(ccc) "Preferred Majority" means Investors holding, or having the right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants), not less than two-thirds (2/3) of the Fully Diluted Investor Securities;

(ddd) "Preferred Shares" means collectively the Class A Preferred Shares, the Class B Preferred Shares and the Class C Preferred Shares;

(eee) "Principal" means Voinigescu in respect of the Voinigescu Family Trust, and Glibbery in respect of the Glibbery Family Trust;

(fff) "Prior Shareholders Agreement" has the meaning ascribed to such term in the recitals;

(ggg) "Qorvo" means Qorvo International Pte. Ltd., or any of its Affiliates or Permitted Transferees;

(hhh) "Qorvo 2018 Subscription Agreement" means the Class C Series 1 Convertible Preferred Share Subscription Agreement dated July 16, 2018, by and between the Corporation and Qorvo;

(iii) "Qorvo Competitor" means Skyworks Solutions, Inc., Analog Devices, Inc., Broadcom Limited, Cypress Semiconductor Corporation, MACOM Technology Solutions Holdings Inc., and Texas Instruments Inc., and each of their respective current and former parents, subsidiaries and Affiliates;

(jjj) "Qualifying Liquidation Event" has the meaning ascribed to such term in Section 10.9(c);

(kkk) "Qualifying Public Offering" has the meaning given to it in the Articles;

(lll) "Registration Rights Agreement" means the Fifth Amended and Restated Registration Rights Agreement between the Corporation and the Institutional Investors dated as of March 4, 2016, as amended from time to time;

(mmm) "Roadmap" means each of Roadmap LP, Roadmap I, Roadmap II, Roadmap Innovation and Roadmap US, acting in concert;

(nnn) "Roadmap 2014 Subscription Agreements" means, collectively, the Class B Series 1 Convertible Preferred Share Subscription Agreements dated September 30, 2014, October 28, 2014 and November 17, 2014 between the Corporation and the Institutional Investors (as at the applicable date thereof) party thereto, as amended from time to time;

(ooo) "Roadmap LP" means Roadmap Peraso LP;

(ppp) "Roadmap I" means Roadmap Innovation Fund I;

(qqq) "Roadmap II" means Roadmap Innovation Fund II;

(rrr) "Roadmap Innovation" means Roadmap Innovation Fund (US and Offshore) I;

(sss) "Roadmap US" means Roadmap Peraso LP (U.S. and Offshore);

(ttt) "Sale Transaction" has the meaning ascribed to such term in Section 6.7;

(uuu) "Second Amended Shareholders Agreement" has the meaning ascribed in the recitals;

(vvv) "Securities" means collectively the Shares and the Warrants;

(www) "Senior Officer" means any individual holding the office of Vice President or above;

(xxx) "Shares" means, collectively, the Common Shares, the Class A Preferred Shares, the Class B Preferred Shares and the Class C Preferred Shares;

(yyy) "Shareholders" means the holders of Common Shares listed on Schedule "A-1" attached hereto and the Investors, together with such other Persons as may become Parties to this Agreement as a shareholder or securityholder of the Corporation, collectively, and "Shareholder" means any one of such Persons individually;

(zzz) "Special Preferred Majority" means Investors holding, or having the right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants), not less than 70% of the Fully Diluted Investor Securities;

(aaaa) "Stock Plan" means the Corporation's stock plan enacted on January 1, 2009 providing for the issuance of Common Shares to eligible employees, consultants, directors, vendors and any other parties approved by the Board, as amended from time to time, together with any such other equity compensation plans of the Corporation approved by the Board and the Preferred Majority in accordance with the terms of this Agreement and the Articles from time to time;

(bbbb) "Third Amended Shareholders Agreement" has the meaning ascribed in the recitals;

(cccc) "Tranche 2 Shares" has the meaning ascribed to such term in the Class B 2010 Subscription Agreement;

(dddd) "Transfer" means any disposition, transfer, sale, exchange, assignment, gift, bequest, disposition, mortgage, hypothecation, charge, pledge, encumbrance, grant of security interest, or any arrangement by which possession, legal title or beneficial ownership passes, directly or indirectly, from one person or entity to another, or to the same person or entity in a different capacity, whether or not voluntary and whether or not for value, and includes any agreement to effect the foregoing;

(eeee) "Triggering Investor" has the meaning ascribed in Section 5.3(n);

(ffff) "Triggering Notice" has the meaning ascribed in Section 5.3(n);

(gggg) "Ubiquiti" means Ubiquiti Networks Canada Inc., or any of its Affiliates or Permitted Transferees;

(hhhh) "Ubiquiti 2018 Subscription Agreement" means the Class C Series 1 Convertible Preferred Share Subscription Agreement dated the date hereof, by and between the Corporation and Ubiquiti;

(iiii) "Ubiquiti Competitor" means any Person carrying on business in the same general industry in which Ubiquiti Networks, Inc. carries on business, and each of its current and former parents, subsidiaries and Affiliates;

(jjjj) "VentureLink" means VentureLink Innovation Fund Inc.;

(kkkk) "Warrant Shares" means the Class B Preferred Shares and/or any other securities of the Corporation issued or issuable on the exercise of the Warrants; and

(llll) "Warrants" means the Tranche 2 Warrants (as such terms is defined in the Class B 2010 Subscription Agreement), as such Tranche 2 Warrants may be amended from time to time.

1.2 Additional Definitions

Unless there is something inconsistent in the subject matter or context, or unless otherwise provided in this Agreement, all other words and terms used in this Agreement that are defined in the Act have the meanings set out in the Act.

1.3 Certain Rules of Interpretation

In this Agreement:

(a) **Consent** - Whenever a provision of this Agreement requires an approval or consent, all such notices of the requirement for approval or consent shall contain a time limit and the consequences if such approval or consent is not delivered within the applicable time limit (which time limit and consequences shall be in accordance with this Agreement, where applicable). If such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified in the notice, the Party whose consent or approval is required is conclusively deemed to have withheld its approval or consent.

(b) **Governing Law** - This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario, without regard to the province's conflict of law provisions, and each of the Parties irrevocably agrees to submit to the exclusive jurisdiction of the courts of such province for and in connection with any proceedings relating to this Agreement.

(c) **Headings** - Headings of articles and sections are inserted for convenience of reference only and do not affect the construction or interpretation of this Agreement.

(d) **Including** - Where the word "including" or the word "includes" is used in this Agreement, it means "including (or includes) without limitation".

(e) **Number and Gender** - Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

(f) **Severability** - If, in any jurisdiction, any provision of this Agreement or its application to any Party or circumstance is restricted, prohibited or unenforceable, such provision is, as to such jurisdiction, ineffective only to the extent of such restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement and without affecting the validity or enforceability of such provision in any other jurisdiction or without affecting its application to other Parties or circumstances.

(g) **Time** - Time is of the essence in the performance of the Parties' respective obligations.

(h) **Time Periods** - Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done are calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the following Business Day if the last day of the period is not a Business Day.

(i) **Currency** - Unless otherwise indicated all dollar amounts referred to in this Agreement, including the symbol "$", refer to lawful money of Canada.

(j) **Accounting Principles** - Wherever in this Agreement reference is made to generally accepted accounting principles or GAAP, such reference shall be deemed to be: accounting standards for private enterprises included in Part II of the Chartered Professional Accountants of Canada Handbook; or (ii) if (and only if) unanimously approved by all of the members of the Board, (a) generally accepted accounting principles applied in the United States as promulgated by the United States Accounting Research Board, Accounting Principles Board and Financial Accounting Standards Board or any successor bodies, applicable as at the date on which such calculation is made or required to be made in accordance with such generally accepted accounting principles or (b) international financial reporting standards applicable in Canada.

ARTICLE 2
PURPOSE AND SCOPE

2.1 Unanimous Shareholder Agreement

(a) This Agreement is deemed to be a unanimous shareholder agreement within the meaning of the Act, and the power of the directors to manage or supervise the management of the business and affairs of the Corporation is restricted in accordance with the terms of this Agreement.

(b) No amendment to this Agreement that affects the rights, powers and duties of any of the directors is effective until the directors are given written notice of the proposed amendment and an opportunity to resign.

2.2 Amendment and Restatement of Seventh Amended Shareholders Agreement

The Seventh Amended Shareholders Agreement is hereby amended and restated in the form hereof with effect as of the date hereof.

2.3 Compliance with Agreement

Each Shareholder agrees to vote and act as a shareholder of the Corporation to fulfil the provisions of this Agreement and in all other respects to comply with, and use all reasonable efforts to cause the Corporation to comply with, this Agreement, and to the extent, if any, permitted by law, shall cause its respective nominee(s) as directors of the Corporation to act in accordance with this Agreement. The Shareholders further undertake that they will use their influence as Shareholders to cause such meetings of the Corporation to be held, resolutions passed, by-laws enacted, agreements and other documents signed and acts or things performed or done as may be necessary or desirable to ensure that the provisions of this Agreement are implemented and given full force and effect.

2.4 Compliance by Corporation

The Corporation undertakes to carry out and be bound by the provisions of this Agreement to the full extent that it has the capacity and power at law to do so.

2.5 Conflict with Articles, By-laws or Other Agreements

To the extent permitted by the Act, in the event of any conflict between the provisions of this Agreement and the provisions of the Articles, the by-laws of the Corporation or any other agreement between the Corporation and the Institutional Investors, the provisions of this Agreement shall prevail, and the Shareholders shall vote to amend the Articles and by-laws of the Corporation so as to ensure conformity with the terms of this Agreement.

2.6 Deeming Provision for Preferred Share Approvals

If, pursuant to the Articles, any matter requires the affirmative vote, written consent or other approval of the holders of at least two-thirds (2/3) of the Preferred Shares (a "Preferred Approval"), the Preferred Approval shall only be effective if such Preferred Approval includes the affirmative vote or written consent of a Preferred Majority. If, pursuant to the Articles, any matter requires the affirmative vote, written consent or other approval of the holders of at least 70% of the Preferred Shares (a "Special Preferred Approval"), the Special Preferred Approval shall only be effective if such Special Preferred Approval includes the affirmative vote or written consent of a Special Preferred Majority.

2.7 Intentionally Deleted

2.8 Agreement to Vote Securities

In the event that the Preferred Majority approves any action requiring approval pursuant to Section 8 of the Articles (a "Special Action"), each Shareholder agrees that it shall execute and deliver all deeds, transfers, consents, resolutions, share certificates or other documents as may be necessary to complete the Special Action (including, without limitation, amendments to this Agreement approved by the Preferred Majority but subject to Section 10.5 hereof) and shall vote its Securities (including, without limitation, any Securities that are deemed to have been issued to such Shareholder under the terms of this Agreement for such purpose) in favour of all resolutions relating to the Special Action at any meeting of shareholders of the Corporation and execute all written shareholder and other consents and resolutions relating to the Special Action and the completion of the transaction contemplated thereunder, and, each Shareholder hereby expressly waives any right to dissent with respect to any such actions which are required for the purpose of any such Special Action. Notwithstanding the foregoing, OCGC's obligations to provide indemnities are subject to the *Financial Administration Act* (Ontario) in force from time to time.

2.9 Deemed Exercise of Warrants for Voting Purposes

If a vote, resolution or written consent of the Shareholders of the Corporation (or any group of Shareholders) is required at any time pursuant to the Act, the Articles, this Agreement, the Class B 2010 Subscription Agreement, the Registration Rights Agreement or any other agreement that by its terms is made subject to the provisions of this Section 2.9, such vote shall be taken, or such resolution or written consent shall be obtained, on the basis that all Warrant Shares then issuable on the exercise of the Warrants (and all Common Shares issuable on the conversion of such Warrant Shares), to the extent that the Warrants have not then expired, shall be deemed to have been issued and be outstanding and held by the Investors, as applicable, at the time of the vote or the time the resolution or consent is obtained.

2.10 Guarantee by Principals

Each of the Principals severally, and not jointly, covenants with each of the other Principals and each of the other Parties to: (i) take such actions as may be necessary to cause the Shareholder which it Controls to at all times fully and faithfully to perform and discharge its obligations under this Agreement, the Class A Preferred Share Subscription Agreement, the Class B 2010 Subscription Agreement, the Class B 2012 Subscription Agreement, the Class B 2013 Subscription Agreement, the Class B 2014 Subscription Agreement and the Roadmap 2014 Subscription Agreements and to comply with the laws and conditions of this Agreement, the Class A Preferred Share Subscription Agreement, the Class B 2010 Subscription

Agreement, the Class B 2012 Subscription Agreement, the Class B 2013 Subscription Agreement, the Class B 2014 Subscription Agreement and the Roadmap 2014 Subscription Agreements, and (ii) except by reason of death, remain as a trustee and Principal of, and continue to Control, the Family Trust of which he is the Principal, for so long as such Family Trust is a Shareholder. The foregoing covenants and obligations of the Principals are absolute, unconditional, present and continuing and are in no way conditional or contingent upon any event or circumstance, action or omission which might in any way discharge a guarantor or surety.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES; FINANCIAL PARTICIPATION IN THE CORPORATION

3.1 Representations and Warranties

Each of the Shareholders and Principals, as applicable, represents and warrants to each other and to the Corporation that:

(a) such Shareholder at the date hereof, owns beneficially and of record the number of Securities set forth opposite such Shareholder's name on Schedule "A" or Schedule "A-1" attached hereto, as applicable, and that such Securities are not subject to any mortgage, lien, charge, pledge, encumbrance, security interest or adverse claim and that no Person has any rights to become a holder or possessor of any of the Securities or of the certificates representing the same, other than pursuant to any Stock Restriction Agreement (as defined in the Class C Subscription Agreement) to which such Shareholder, or in the case of a Principal, the Family Trust he Controls, is a party;

(b) if the Shareholder is an individual, that such Shareholder has the capacity to enter into and give full effect to this Agreement;

(c) such Principal has the capacity to enter into and give full effect to this Agreement;

(d) such Principal Controls the Family Trust of which he is the Principal;

(e) if the Shareholder is a corporation, that it is duly incorporated and validly existing under the laws of its jurisdiction of incorporation and that it has the corporate power and capacity to own its assets and to enter into and perform its obligations under this Agreement;

(f) if the Shareholder is a trust, partnership or joint venture, that it is duly constituted under the laws that govern it and that it has the power to own its assets and to enter into and perform its obligations under this Agreement;

(g) this Agreement has been duly authorized by such Shareholder or Principal, as applicable, and duly executed and delivered by such Shareholder or Principal, as applicable, and constitutes a valid and binding obligation enforceable in accordance with its terms, subject to the usual exceptions as to bankruptcy and the availability of equitable remedies;

(h) that the execution, delivery and performance of this Agreement does not and shall not contravene the provisions of its articles, by-laws, constating documents or other organizational documents or the documents by which such Shareholder was created or established or the provisions of any indenture, agreement or other instrument to which such Shareholder or Principal, as applicable, is a party or by which such Shareholder or Principal, as applicable, may be bound; and

(i) that, subject to the terms of this Agreement, all of the foregoing representations and warranties shall continue to be true and correct during the continuance of this Agreement.

3.2 Additional Capital

Except as otherwise unanimously agreed, or as provided in the Class B 2010 Subscription Agreement, none of the Shareholders is obligated to acquire additional Shares or to make loans to the Corporation or guarantee its indebtedness.

ARTICLE 4
MANAGEMENT OF THE CORPORATION

4.1 Board of Directors

Subject to Section 6.8 below, the Corporation shall have a Board consisting of a minimum of five (5) directors and a maximum of seven (7) directors, of which:

(a) one director shall be the then current Chief Executive Officer of the Corporation (the "CEO Nominee"), who shall initially be Bill McLean;

(b) one director shall be nominated by the holders of at least a majority of the outstanding Common Shares (the "Common Share Nominee"), who shall initially be Glibbery;

(c) one director shall be nominated by CHVP (the "CHVP Nominee"), who shall initially be David Adderley;

(d) one director shall be nominated by iNovia (the "iNovia Nominee"), who shall initially be Shawn Abbott;

(e) one director shall be nominated by VentureLink (the "VentureLink Nominee"), who shall initially be Jim Whitaker;

(f) one director shall be nominated by Roadmap (the "Roadmap Nominee"), who shall initially be Imed Zine; and

(g) one director shall be an Independent nominee (the "Independent Nominee") nominated by the holders of at least a majority of the then outstanding Common Shares and the Fully Diluted Investor Securities, voting together as a single class, who shall initially be Riadh Zine.

Each Shareholder shall vote its Securities to elect the directors nominated in accordance with this Agreement.

4.2 Removal and Replacement of Nominees

Any Shareholder (or group of Shareholders) entitled to nominate and elect a director may remove any such director by notice to such director, the other Shareholders and the Corporation. Any vacancy occurring on the Board by reason of the death, disqualification, inability to act, resignation or removal of any director may be filled only by a further nominee of the Shareholder or Shareholders whose nominee was so affected so as to maintain a Board consisting of the nominees specified in Section 4.1. The Shareholders shall fill any such vacancy by electing as soon as reasonably possible any such further nominee under this Section 4.2.

4.3 Meetings of Board

The Board shall have regularly scheduled meetings at least six (6) times per year during the term of this Agreement. In addition, any director may call a meeting of the Board on at least two (2) Business Days prior notice to the other directors.

4.4 Observers

(a) From time to time by written notice to the Corporation, OCGC may appoint one observer (an "OCGC Observer") who, upon the execution and delivery of a Confidential Information and Non-Disclosure Agreement in form and substance acceptable to the Corporation: (i) shall have the right to attend all meetings of the Board and any committees thereof and (ii) shall receive all written information provided to the Board or any committee thereof, which information shall be provided to the OCGC Observer concurrently with the provision of such information to the Board or the applicable committee thereof. OCGC may, at any time, by written notice to the Corporation, appoint a new OCGC Observer in replacement of any previously appointed OCGC Observer. This Section 4.4(a) shall terminate and cease to have any further force and effect in the event that OCGC ceases to hold Securities.

(b) From time to time by written notice to the Corporation, Roadmap may appoint one observer (an "Roadmap Observer") who, upon the execution and delivery of a Confidential Information and Non-Disclosure Agreement in form and substance acceptable to the Corporation: (i) shall have the right to attend all meetings of the Board and any committees thereof and (ii) shall receive all written information provided to the Board or any committee thereof, which information shall be provided to the Roadmap Observer concurrently with the provision of such information to the Board or the applicable committee thereof. Roadmap Capital Inc. may, at any time, by written notice to the Corporation, appoint a new Roadmap Observer in replacement of any previously appointed Roadmap Observer. This Section 4.4(b) shall terminate and cease to have any further force and effect in the event that Roadmap ceases to hold Securities.

(c) From time to time by written notice to the Corporation, IDT may appoint one observer (an "IDT Observer") who, upon the execution and delivery of a Confidential Information and Non-Disclosure Agreement in form and substance acceptable to the Corporation: (i) shall have the right to attend all meetings of the Board and any committees thereof and (ii) shall receive all written information provided to the Board or any committee thereof, which information shall be provided to the IDT Observer concurrently with the provision of such information to the Board or the applicable committee thereof. IDT may, at any time, by written notice to the Corporation, appoint a new IDT Observer in replacement of any previously appointed IDT Observer. This Section 4.4(c) shall terminate and cease to have any further force and effect in the event that IDT ceases to hold Securities.

(d) From time to time by written notice to the Corporation, Qorvo may appoint one observer (a "Qorvo Observer") who, upon the execution and delivery of a Confidential Information and Non-Disclosure Agreement in form and substance acceptable to the Corporation: (i) shall have the right to attend all meetings of the Board and any committees thereof, (ii) shall be entitled to receive all notices of intended meetings of the Board and all other notices provided to members of the Board from time to time, and (iii) shall receive all written information provided to the Board or any committee thereof, which information shall be provided to the Qorvo Observer concurrently with the provision of such information to the Board or the applicable committee thereof. Qorvo may appoint one alternate Qorvo Observer to attend meetings in place of the Qorvo Observer, provided that such person also executes and delivers a Confidential Information and Non-Disclosure Agreement in form and substance acceptable to the Corporation, and provided further that the Board may in its reasonable discretion (i) redact from materials otherwise provided to the members of the Board from time information that the Board reasonably determines is highly confidential non-financial competitive information of the Corporation's existing or prospective customers or strategic partners or (ii) remove the Qorvo Observer (or any alternate thereof) from any portion of a meeting of the Board during which such information is or will be disclosed. Qorvo may, at any time, by written notice to the Corporation, appoint a new Qorvo Observer or alternate in replacement of any previously appointed Qorvo Observer or alternate. This Section 4.4(d) shall terminate and cease to have any further force and effect in the event that Qorvo ceases to hold Securities.

(e) From time to time by written notice to the Corporation, Ubiquiti may appoint one observer (a "Ubiquiti Observer") who, upon the execution and delivery of a Confidential Information and Non-Disclosure Agreement in form and substance acceptable to the Corporation: (i) shall have the right to attend all meetings of the Board and any committees thereof, (ii) shall be entitled to receive all notices of intended meetings of the Board and all other notices provided to members of the Board from time to time, and (iii) shall receive all written information provided to the Board or any committee thereof, which information shall be provided to the Ubiquiti Observer concurrently with the provision of such information to the Board or the applicable committee thereof. Ubiquiti may appoint one alternate Ubiquiti Observer to attend meetings in place of the Ubiquiti Observer, provided that such person also executes and delivers a Confidential Information and Non-Disclosure Agreement in form and substance acceptable to the Corporation, and provided further that the Board may in its reasonable discretion (i) redact from materials otherwise provided to the members of the Board from time information that the Board reasonably determines is highly confidential non-financial competitive information of the Corporation's existing or prospective customers or strategic partners or (ii) remove the Ubiquiti Observer (or any alternate thereof) from any portion of a meeting of the Board during which such information is or will be disclosed. Ubiquiti may, at any time, by written notice to the Corporation, appoint a new Ubiquiti Observer or alternate in replacement of any previously appointed Ubiquiti Observer or alternate. This Section 4.4(e) shall terminate and cease to have any further force and effect in the event that Ubiquiti ceases to hold Securities.

4.5 Notice of Meetings

The Corporation or any director shall notify each member of the Board, the OCGC Observer and, if applicable, any other observer, in writing, of the intended date of any meeting of the Board at least two (2) Business Days prior to the date of such intended meeting. Notice of each meeting of the Board shall be accompanied by an agenda together with copies of any documents to be considered at such meeting.

4.6 Quorum

A quorum for meetings of the Board consists of at least four (4) members of the Board, which must include the presence of at least two (2) Investor Nominees. If a quorum is not obtained at any meeting of the Board, the meeting shall be adjourned and may be reconvened upon two (2) Business Days notice to the directors.

4.7 Committees of the Board

(a) Audit Committee and Compensation Committee.

At the first meeting of the Board following the date of this Agreement, the Board shall appoint (if not already appointed):

(i) an audit committee (the "Audit Committee"), consisting of no less than three (3) members of the Board, with the authority to review and approve (subject to ultimate approval by the Board) all financial statements and accounting policies of the Corporation and any other matters specified by the Board; and

(ii) a compensation committee (the "Compensation Committee"), consisting of no less than three (3) members of the Board, with authority over senior management compensation, employee benefits, the grant of stock options and other incentives under the Stock Plan and any other grant or award of equity incentives (subject to the final approval of the Board) to officers, directors, employees or consultants of the Corporation, and any other matters specified by the Board.

(b) Representation on Committees.

At least one member of the Audit Committee and at least one member of the Compensation Committee shall be an Investor Nominee. One Investor Nominee shall also be entitled to be a voting member of any other committee of the Board (a "Special Committee").

(c) Quorum for Committees.

Quorum for a meeting of the Audit Committee, the Compensation Committee or any Special Committee consists of two (2) members of each committee, provided that one of such two (2) members must be an Investor Nominee. If a quorum is not obtained at any meeting, the meeting shall be adjourned and may be reconvened upon two (2) Business Days' notice to the committee members.

4.8 Telephone Meetings

Any or all directors and, subject to Section 4.4, any observer, may participate in a meeting of the Board or any committee thereof by means of such telephone, electronic or other communication facilities as permit all Persons participating in the meeting to hear and communicate with each other simultaneously, and a director participating in such a meeting by such means is deemed to be present at the meeting.

4.9 Expenses of Directors

The Corporation shall pay the reasonable out-of-pocket expenses (including travel and accommodation expenses) incurred by each of the members of the Board (including the Investor Nominees) in connection with the Corporation's business and expenses incurred when any such director is travelling at the request of the Corporation.

4.10 Annual Budget

The Annual Budget (as such term is defined below) in any financial year of the Corporation shall be subject to the approval of the Board (which Board approval must include the affirmative vote or written consent of at least two Investor Nominees).

ARTICLE 5
COVENANTS OF THE CORPORATION

5.1 Information Rights

The Corporation shall prepare and deliver to each of the Major Shareholders:

(a) as soon as available after the end of each financial year, and in any event within ninety (90) days of the end of each financial year, audited financial statements of the Corporation, including audited consolidated balance sheets of the Corporation and its subsidiaries, if any, as at the end of such financial year, and audited consolidated statements of income, retained earnings and changes in cash flow of the Corporation and its subsidiaries, if any, for such year, setting forth in each case in comparative form the corresponding figures for the previous financial year and the Annual Budget for such financial year, all prepared in accordance with GAAP and accompanied by a report and opinion thereon by the Corporation's auditors, which audit report must state that such consolidated financial position as of such date and the consolidated results of operations and cash flows for the periods indicated, are in conformity with GAAP;

(b) as soon as available after the end of each three-month period (commencing with the three month period ending on March 31, 2016), and in any event within forty-five (45) days after the end of each such three-month period, unaudited consolidated balance sheets of the Corporation and its subsidiaries, if any, as of the end of such three-month period, and unaudited consolidated statements of income, retained earnings and changes in cash flow of the Corporation and its subsidiaries, if any, for such three-month period and the financial year to date, prepared in accordance with GAAP (subject to normal year-end adjustments and without footnote disclosure), setting forth in comparative form the corresponding figures for the corresponding three-month period of the previous financial year, together with an analysis by management of the results of operations of the Corporation, including a discussion of variances from the Annual Budget;

(c) as soon as available after the end of each month (commencing with February 2016), and in any event within fifteen (15) days after the end of each such month, unaudited consolidated balance sheets of the Corporation and its subsidiaries, if any, as of the end of such month, and unaudited consolidated statements of income, retained earnings and changes in cash flow of the Corporation and its subsidiaries, if any, for such month and the financial year to date, prepared in accordance with GAAP (subject to normal year-end adjustments and without footnote disclosure), setting forth in comparative form the corresponding figures for the corresponding month of the previous financial year. For greater certainty, the first such balance sheet and statements shall be those as at and for the month ended February 29, 2016 and must be delivered no later than March 15, 2016;

(d) at least thirty (30) days prior to the commencement of each financial year, the proposed annual budget of the Corporation (the "Annual Budget"), which shall include a reasonably detailed capital expenditure budget and operating budget;

(e) within five (5) days of receipt of a written request by OCGC, and at or prior to each meeting of the Board, a compliance certificate dated as at the most recently completed month end in the form attached as Schedule "C";

(f) within 5 Business Days of receipt by the Corporation of any notice advising the Corporation of a material breach of a material contract, a copy of such notice;

(g) within 90 days after the end of each fiscal year, a written confirmation from the Corporation's auditor that 50% or more of the aggregate wages, salaries and fees paid to the employees and contractors of the Corporation and its subsidiaries, if any, were paid to such employees and contractors whose ordinary place of work is a permanent establishment of the Corporation (or its subsidiaries) in the Province of Ontario;

(h) within 90 days after the end of each fiscal year, a written confirmation, signed by an officer of the Corporation, that at least 50% of the full-time employees of the Corporation and its subsidiaries, if any, are working in the Province of Ontario;

(i) within 90 days after the end of each fiscal year, a written confirmation, signed by an officer of the Corporation, that at least 50% of the Corporation's Senior Officers maintain their principal residence (within the meaning of the Income Tax Act (Ontario)) in the Province of Ontario; and

(j) such other financial and business information as any Major Shareholder may reasonably request from the Corporation from time to time.

5.2 Limitation on Information Rights

Notwithstanding Section 5.1, the Corporation shall not be required to prepare and deliver the information set forth in Sections 5.1(d), 5.1(e), 5.1(f), 5.1(g), 5.1(h), 5.1(i) and 5.1(j) to any Major Shareholder who is a Founder or a Principal, or in the case of a Major Shareholder that is a Family Trust, whose Principal is a Founder or is or was an employee of the Corporation, where such Founder or Principal has ceased or ceases to be a full-time employee of the Corporation.

5.3 Other Covenants

Without limiting any other covenants and provisions hereof, and except to the extent the covenants and provisions of Section 5.1 and this Section 5.3 are waived in any instance by the holders of a Preferred Majority (except Sections 5.1(a), 5.1(b), 5.1(c), 5.1(d), 5.1(e), 5.1(f), 5.1(g), 5.1(h), 5.1(i), 5.3(d), 5.3(l), 5.3(m), 5.3(n), 5.3(o), 5.3(p) and 5.3(q), which shall require the waiver of the Preferred Majority and OCGC (only so long as OCGC continues to hold Securities), the Corporation covenants and agrees that it shall perform and observe the following covenants and provisions, and shall cause each of its subsidiaries, if and when such subsidiary exists, to perform and observe such covenants and provisions. The covenants in this Section 5.3 are for the exclusive benefit of the Investors.

(a) Payment of Taxes and Trade Debt.

The Corporation shall pay and discharge, all taxes, assessments and governmental charges or levies imposed upon it or upon its income, profits or business, or upon any properties belonging to it, prior to the date on which penalties attach thereto, and all lawful claims which, if unpaid, might become a lien or charge upon any properties of the Corporation; provided, however, that the Corporation shall not be required to pay any such tax, assessment, charge, levy or claim which is being contested in good faith and by appropriate proceedings if the Corporation shall have set aside on its books sufficient reserves, if any, with respect thereto. The Corporation shall pay, when due, or in conformity with customary trade terms, all lease obligations, all trade debt, and all other indebtedness incident to the operations of the Corporation, except such as are being contested in good faith and by proper proceedings if the Corporation shall have set aside on its books sufficient reserves, if any, with respect thereto.

(b) Insurance.

The Corporation shall maintain in good standing directors and officers liability insurance in respect of claims against the directors and officers of the Corporation with terms commensurate with reasonable industry practice for companies similar to the Corporation and otherwise acceptable to a Preferred Majority, and in any case with maximum coverage of not less than $2,000,000 per individual claim, and shall not assign, transfer, dispose of, surrender, borrow upon or in any way encumber or deal with such insurance. The Corporation shall indemnify each director for claims against such director in his or her capacity as such to the fullest extent permitted by law.

(c) Preservation of Corporate Existence.

The Corporation shall preserve and maintain its corporate existence, rights, franchises and privileges in the jurisdiction of its incorporation, and qualify and remain qualified, as a foreign corporation in each jurisdiction in which such qualification is necessary or desirable in view of its business and operations, prospects or condition (financial or otherwise) or the ownership or lease of its properties. The Corporation shall secure, preserve and maintain, all licenses and other rights to use intellectual property rights owned or possessed by it and deemed by the Corporation to be necessary to the conduct of its business.

(d) Compliance with Laws.

The Corporation shall comply in all material respects with all laws, statutes, ordinances, regulations, rules, judgments, decrees, orders or directives applicable to the Corporation, or the business carried on by the Corporation.

(e) Books and Records.

The Corporation shall keep adequate records and books of account in which complete entries shall be made in accordance with GAAP consistently applied, reflecting all financial transactions of the Corporation, and in which, for each fiscal year, all proper reserves for depreciation, depletion, returns of merchandise, obsolescence, amortization, taxes, bad debts and other purposes in connection with its business shall be made.

(f) Subsidiaries.

The Corporation shall ensure, to the fullest extent permitted by law and using any lawful means necessary, that each subsidiary of the Corporation shall consult with, and abide by the instructions of, the Board with respect to all material decisions.

(g) Financings.

The Corporation shall inform the Board of any negotiations, offers or contracts relating to possible financings of any nature for the Corporation, whether initiated by the Corporation or any other Person, except for (A) arrangements with trade creditors, and (B) utilization by the Corporation of commercial lending arrangements with financial institutions.

(h) Proprietary Information and Inventions Agreements.

The Corporation shall obtain a duly executed agreement relating to proprietary information and assignment of inventions containing terms and conditions no less favourable to the Corporation than the terms and conditions of the form of agreement attached as Exhibit "C" (in the case of consultants) or Exhibit "C-1" (in the case of employees) to the Class C Subscription Agreement, or in such other form as may be approved by the majority of the Board (including the approval of at least one Investor Nominee), from each future employee and consultant of the Corporation on or before his, her or its first day of service to the Corporation.

(i) New Developments.

The Corporation shall, where reasonably practicable, cause all technological developments, patentable or un-patentable inventions, discoveries or improvements by the Corporation's officers or employees to be documented in accordance with the appropriate professional standards and, where possible and deemed by management to be commercially appropriate based on the advice of legal counsel and other considerations, to file and prosecute Canadian, United States and foreign patent or copyright applications relating to and protecting such developments on behalf of the Corporation.

(j) Stock Plan.

Unless otherwise approved by the Board (which approval must include the approval of at least one Investor Nominee), all future grants of stock options or restricted shares to employees and consultants shall vest at the rate of twenty-five percent (25%) per year (in an annual increment for the first year and quarterly thereafter over the subsequent twelve (12) quarters) commencing with the start date of employment or engagement.

(k) Management Rights Letter.

The Corporation shall execute and provide a management rights letter in customary form to any Investor upon request.

(l) Right to Access Information.

Upon 24 hours notice, an Investor, or any of its designated representative(s) who has executed and delivered a Confidential Information and Non-Disclosure Agreement in form and substance acceptable to the Corporation (acting reasonably), may, during normal business hours, and at its own expense, inspect the financial and management records of the Corporation, provided that all such disclosure is subject to Article 8 hereof and provided that access to highly confidential non-financial proprietary information and facilities need not be provided to any Investor that is deemed to be a strategic investor (i.e., an Investor carrying on business in the same general industry in which the Corporation carries on business) in the Corporation, as determined by the Board, acting reasonably.

(m) Ethical Investments.

The Corporation shall not, at any time while OCGC owns any Securities, directly or indirectly, through a subsidiary or otherwise, engage in:

(i) the sale, marketing or provision of gambling, gambling services or pornography;

(ii) the production, sale or marketing of tobacco or alcohol products; or

(iii) the manufacture, sale, distribution or promotion of goods or services that are not legal in the Province of Ontario.

For greater certainty, nothing herein shall be construed as a representation with respect to any activities by the Corporation's customers, provided that the Corporation does not own more than 5% of the issued shares of such customer.

(n) Ontario Company.

If the Corporation ceases to be an Ontario Company while OCGC is a holder of Securities without the prior written consent of OCGC, any Investor (a "Triggering Investor") may require the Corporation, by written notice (the "Triggering Notice") provided to the Corporation, to repurchase all of the Securities owned by such Triggering Investor for the aggregate purchase price (the "Ontario Repurchase Price") as calculated below.

Within five (5) days of receipt of a Triggering Notice, the Corporation shall give written notice (the "Subsequent Notice") (which shall include a copy of the Triggering Notice) of its receipt of the Triggering Notice to each other Investor that is not already a Triggering Investor. On the thirtieth (30th) Business Day after the date of the Triggering Notice, the Corporation shall repurchase all of the Securities owned by the Triggering Investor and each other Investor who, by written notice delivered to the Corporation and each of the other Investors within fifteen (15) days of the date of the Subsequent Notice, indicates that it wishes to be treated as a Triggering Investor (in which case, any such Investor shall be deemed to be a Triggering Investor named in the Triggering Notice for the purposes of this Section 5.3(n)).

The Ontario Repurchase Price for each Triggering Investor shall be equal to the greater of:

(i) the Fair Market Value of the Securities owned by such Triggering Investor, determined in accordance with the provisions of this Section 5.3(n); and

(ii) the aggregate purchase price paid by such Triggering Investor to the Corporation to acquire the Securities owned by such Triggering Investor, plus 10% of such aggregate amount per year such Triggering Investor has owned such Securities, compounded annually, calculated from the date of acquisition of each such Security.

Any amounts payable to Triggering Investors under this Section 5.3(n) shall be paid by the Corporation on a *parri passu* basis as among the Triggering Investors with equal priority regardless of whether the Securities to be repurchased constitute debt or equity. The Investors agree that Section 6 of the Proceeds Sharing Agreement dated as of November 19, 2010 among the Investors and the Corporation, as amended from time to time, shall apply, *mutatis mutandis*, to any payments or distributions that a Triggering Investor receives under this Section 5.3(n). For purposes of this Section 5.3(n), "Fair Market Value of the Securities" shall be the fair market value of the Securities owned by each Triggering Investor (which value shall not apply any 'minority interest' discount to such Securities), as determined by a valuator selected by the holders of a majority in interest of the Securities held by the Triggering Investors and approved by the Corporation that: (A) is independent of the Corporation, all existing and prospective Shareholders and holders of Securities and each of their respective Affiliates and associates (each within the meaning of the *Business Corporations Act* (Ontario)) and (B) has appropriate qualifications. Any repurchase of Securities pursuant to this Section 5.3(n) shall be completed, and the Ontario Repurchase Price payable to each Triggering Investor shall be paid in full, within thirty (30) Business Days of the date of the Initial Triggering Notice. Notwithstanding the foregoing, this Section 5.3(n) shall not apply in the event that the Corporation ceases to be an Ontario Company in connection with the completion of a Qualifying Public Offering. Sections 6.11 and 6.12 of this Agreement shall not apply to any repurchase of Securities pursuant to this Section 5.3(n).

(o) No Collateral Benefits.

(i) Neither CHVP nor any of its Affiliates shall receive any benefits, directly or indirectly, as a consequence of any transaction with the Corporation (except as specifically set forth in this Agreement, the Class B 2012 Subscription Agreement and/or any other Collateral Documents (as defined in the Class B 2012 Subscription Agreement)) completed by CHVP after the date hereof, unless OCGC has been offered in writing (the "Participation Notice") the opportunity to receive such benefit (or a benefit of equivalent value) either: (A) pursuant to Section 6.3 of this Agreement; or (B) calculated on a proportionate basis based on the number of Common Shares (calculated on a fully diluted basis) held by each of CHVP and OCGC compared to the total number of Common Shares of the Corporation outstanding (calculated on a fully-diluted basis), in each case as at the applicable time of the transaction between CHVP and the Corporation, provided that any Participation Notice delivered to OCGC under clause (B) above shall remain open for acceptance for a minimum of five (5) Business Days from the date thereof. Notwithstanding the foregoing, OCGC shall not be entitled to receive any benefit under this Section 5.3(o)(i) unless it delivers to CHVP written notice of its intent to participate in the subject transaction within the time limits specified in the Participation Notice and it completes the transaction specified in the Participation Notice on the same terms applicable to CHVP, failing which, in either case, it will be conclusively deemed to have agreed not to accept any benefits resulting from the transaction specified in the Participation Notice.

(ii) Except in connection with any transaction involving the issuance of Permitted Additional Securities described in Sections 1.1(xx)(vi) or 1.1(xx)(vii) of this Agreement, the Corporation shall not enter into, or be party to, any agreement or other instrument with any current or prospective holder of Securities of the Corporation that has the effect of establishing rights in a manner more favourable in any respect to such holder than the rights established in favour of OCGC by this Agreement, other than price per share or security, unless, in any such case, OCGC has been offered in writing (the "Rights Notice") the opportunity to receive such additional rights, which offer shall remain open for acceptance for a minimum of five (5) Business Days from the date thereof. Notwithstanding the foregoing, OCGC shall not be entitled to receive any rights under this Section 5.3(o)(ii), unless it delivers to the Corporation written notice of its intent to participate in the subject transaction within the time limits specified in the Rights Notice and it completes the transaction specified in the Rights Notice on the same terms applicable to the other participants in such transaction, failing which, in either case, it will be conclusively deemed to have agreed not to accept any rights resulting from the transaction specified in the Rights Notice. This Section 5.3(o)(ii) shall not apply to any transaction referred to in Section 5.3(o)(i).

(p) Articles.

The Corporation shall not breach any provision of the Articles.

(q) Payment of Dividends.

Dividends may be declared and accrued in accordance with the Articles.

ARTICLE 6
DEALING WITH SECURITIES

6.1 Restrictions on Transfer of Securities

(a) Except as provided in Section 6.8(e), no Shareholder shall Transfer any Securities, or any of its rights or obligations under this Agreement, to any Person, except as specifically permitted or required by this Agreement and only in accordance with the terms of this Agreement. The Corporation shall not be required: (A.) to Transfer on its books any Securities, nor (B.) to treat as the owner of the Securities, or otherwise to accord voting or dividend rights to, any transferee to whom the Securities has been Transferred in contravention of this Agreement.

(b) Except as provided in Section 6.8(e), every Transfer of Securities held by a Shareholder is subject to the conditions that:

(i) the proposed transferee, if not already bound by the terms of this Agreement, first agrees, in writing, to become a party to and be bound by the terms of this Agreement by signing an acknowledgment substantially in the form annexed hereto as Schedule "B";

(ii) the Transfer is approved in accordance with the Articles; provided, that, any Transfer referred to in Section 6.1(a) or that is otherwise a permitted Transfer pursuant to this Agreement shall be deemed to be consented to by the Shareholders for the purposes of any restrictions on Transfer in the Articles; and

(iii) the Shareholder shall have provided the Corporation with written assurances, in form and substance satisfactory to the Corporation, that: (A.) the proposed Transfer is exempt from the registration and prospectus requirements of all applicable securities laws, and (B.) all appropriate action necessary for compliance with applicable securities laws and regulatory policies in connection with such proposed Transfer have been taken.

(c) The Corporation shall refuse to issue any new Securities to any Person who is not a Party hereto, and the issuance of Securities to any such Person shall not be approved by the Board, until such Person has agreed to become a Party hereto and bound by all the provisions hereof by signing an acknowledgment substantially in the form annexed hereto as Schedule "B". All grantees of options to purchase Shares or securities of the Corporation convertible into Shares shall be required to enter into an appropriate written contractual obligation to become a Party to and bound by this Agreement as a condition to the exercise or conversion of any such options or convertible securities.

(d) Notwithstanding the foregoing, Section 6.1(b) of this Agreement shall not apply to any Transfer of Securities contemplated by Sections 6.5(i)(iii), 6.5(i)(iv), 6.7, 6.8(d) or 6.13 of this Agreement. By executing this Agreement, each of the Shareholders hereby: (i) consents to any Transfer of Shares pursuant to any Stock Restriction Agreement (as defined in the Class C Subscription Agreement); and (ii) acknowledges and agrees that the consent in clause (i) immediately above shall constitute all necessary approvals of any such Transfer of Shares contemplated in clause (i) immediately above for the purposes of this Agreement and the Articles.

6.2 Endorsement on Certificates

In addition to such legends as may be required by applicable securities laws, share certificates of the Corporation shall bear the following language either as an endorsement or on the face of such share certificate:

> "The securities represented by this certificate are subject to all the terms and conditions of an Eighth Amended and Restated Unanimous Shareholders Agreement made as of December 7, 2018, as it may be amended from time to time, which agreement contains, among other things, restrictions on the right of the holder hereof to transfer or sell the securities. A copy of such agreement is on file at the registered office of the Corporation."

6.3 Pre-Emptive Rights

(a) Subject to paragraph (b), if any shares or other securities of the Corporation, or options, rights, warrants or other instruments to purchase shares, or securities convertible into or exchangeable directly or indirectly for shares (including any newly created class or series) (collectively referred to in this Agreement as "Additional Securities"), are to be issued, the Corporation shall first offer such Additional Securities to the Investors by notice given to them of the Corporation's intention to issue Additional Securities and the number and purchase price of such Additional Securities to be so issued. Each of the Investors may purchase its Pro Rata Share (as such term is defined below) of the Additional Securities so offered. Each Investor's "Pro Rata Share" of the Additional Securities shall be equal to the total number of Additional Securities so offered, multiplied by the quotient of X/Y, where X is equal to the number of Fully Diluted Investor Securities that the Investor holds and/or has a right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants), and Y is equal to the aggregate number of Fully Diluted Investor Securities. Each Investor shall have five (5) Business Days from the date such notice is given to give a notice to the Corporation of such Investor's intention to purchase all or any of the Additional Securities to which it is entitled and shall indicate in such notice the maximum number of Additional Securities that such Investor is willing to purchase (which number may be greater than or less than its Pro Rata Share). If no such notice is given by an Investor within such five (5) Business Day period, such Investor shall be deemed to have rejected the offer to purchase such Additional Securities. If any Investor does not accept its full Pro Rata Share, any such unaccepted Additional Securities shall be deemed to have been offered to the Investors who indicated they would accept greater than their respective Pro Rata Share (the "Oversubscribed Investors") and each of such Oversubscribed Investors shall be entitled to acquire such unaccepted Additional Securities, pro rata as between the Oversubscribed Investors based upon the number of Fully Diluted Investor Securities that such Oversubscribed Investors hold and/or have the right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants) held by such Oversubscribed Investors. The transaction of purchase and sale by the Corporation to the Investors shall be completed on the date specified by the Board. Any Additional Securities not taken up by the Investors may be issued within ninety (90) days of such Additional Securities having been first offered to the Investors, at not less than the price and on terms no more favourable than the terms offered to the Investors, to such Persons as the Board determines, provided that such Persons agree to be bound by, and become parties to, this Agreement or a Share Restriction Agreement in accordance with Section 6.1(c) above.

(b) The Corporation may issue Additional Securities without complying with the provisions of subsection (a) of this Section 6.3:

(i) if such Additional Securities are Permitted Additional Securities; or

(ii) if the application of this Section 6.3 is waived in its entirety in writing by a Preferred Majority.

Notwithstanding the foregoing, in no event shall the Corporation issue or sell any Class C Preferred Shares to a Qorvo Competitor or to an Ubiquiti Competitor.

(c) Any Investor that is offered and does not purchase at least its full Pro Rata Share of any Additional Securities offered to such Investor pursuant to Section 6.3(a) of this Agreement shall, without any further action by any party, automatically be deemed to be a Waiving Shareholder for the purposes of Section 5(j)(vi) of the Articles, in which case any Preferred Shares held by such Investor at any time and from time to time (and any assignees or transferees of such Preferred Shares) shall not be entitled to receive any price-based anti-dilution adjustments set forth in Section 5(j) of the Articles for any purpose whatsoever from and after the date the Investor is deemed to be a Waiving Shareholder under this Section 6.3(c), including, without limitation, in connection with the first Dilutive Transaction (as defined in the Articles) in connection with which the Investor is deemed to be a Waiving Shareholder and any subsequent Dilutive Transaction, regardless of whether such Investor purchases any Additional Securities offered by the Corporation under any subsequent Dilutive Financing. Notwithstanding the foregoing, this Section 6.3(c) shall not apply if one or more Permitted Transferees of an Investor purchases (either on its own or together with any other Permitted Transferees of such Investor and/or the Investor) at least such Investor's full Pro Rata Share of any Additional Securities offered to such Investor pursuant to Section 6.3(a) of this Agreement.

6.4 Permitted Transfers

(a) Each Institutional Investor may, after giving notice to the Corporation, Transfer all or any part of the Investor Securities beneficially owned by it to:

(i) any Affiliate of such Investor;

(ii) any fund under common management or Control with such Investor (or its successor by amalgamation), or whose manager or general partner, as applicable, is the same as or an Affiliate of the manager or general partner of the Investor (or its successor by amalgamation);

(iii) any shareholder(s), partner(s), member or investor(s) of such Investor where such Transfer is made in connection with a distribution of assets to the shareholders, partners, members or investors of the Investor;

(iv) any Person in connection with the sale of all or substantially all of the assets of such Investor or the liquidation or dissolution of such Investor; or

(v) any financial institution that carries on the business of providing equity financing as part of a sale of a portfolio of equity interests by such Investor;

provided, that, each transferee agrees to be bound by, and become a party to, this Agreement in accordance with Section 6.1(c) above.

(b) Each Shareholder that is not an Institutional Investor may, after giving notice to the Corporation, Transfer all or any part of the Shares beneficially owned by it:

(i) to a corporation wholly-owned by such Shareholder and/or his Family Members, as applicable; or

(ii) to a custodian, trustee (including an RRSP, RIF, IRA or similar retirement or investment fund) or other fiduciary for such Shareholder and/or his Family Members, as applicable;

(iii) to any other Person if such Transfer is effected pursuant to such Shareholder's will or the laws of intestate succession, or

(iv) in the case of Glibbery or the Glibbery Family Trust, to one or more applicable Institutional Investors, pursuant to the indemnification obligations of Glibbery and the Glibbery Family Trust to such Institutional Investors pursuant to Section 5.14 of the Class B 2012 Subscription Agreement, Section 5.14 of the Class B 2013 Subscription Agreement, Section 5.14 of the Class B 2014 Subscription Agreement or Section 5.14 of the Roadmap 2014 Subscription Agreements (it being understood, for greater certainty, other transfers of shares by Glibbery or the Glibbery Family Trust not related to the aforesaid indemnification obligations remain subject to this Article 6), provided, in the case of (i), (ii) or (iii) above, the transferee agrees to be bound by, and become a party to, this Agreement in accordance with Section 6.1(c). In the event of any such Transfer pursuant to (i) or (ii) above: (A.) the transferring Shareholder shall remain a party to this Agreement; (B.) the transferring Shareholder hereby covenants to take such actions as may be necessary to cause the transferee to at all times fully and faithfully perform and discharge its obligations under this Agreement and to comply with the terms and conditions of this Agreement; and (C.) the transferring Shareholder shall at all times after such Transfer be jointly and severally liable with the transferee for the performance and discharge the transferee's obligations under this Agreement and compliance by the transferee with the terms and conditions of this Agreement.

(c) Notwithstanding any other provision of this Agreement but subject to Section 6.4(d) below, OCGC may, after giving written notice to the Corporation, transfer all or any part of the Securities beneficially owned by it to the Crown in right of Ontario or any agency, body or entity thereof provided that each transferee agrees to be bound by and become a party to this Agreement in accordance with Section 6.1(c) above. Upon a transfer by OCGC of its Securities, OCGC shall cease to have any liability or other obligation to the Corporation or the other Shareholders with respect to such transferred Securities under or in connection with this Agreement.

(d) Notwithstanding any other term of this Agreement, Section 6.5, Section 6.6, Section 6.11 and Section 6.12 of this Agreement shall not apply to any Transfer permitted under paragraphs (a), (b), or (c) of this Section 6.4.

6.5 Right of First Refusal

(a) If a Shareholder (other than an Investor) (the "Offeror") receives from a third party (the "Third Party"), acting as principal and dealing at arm's length with the Offeror, a bona fide written offer (the "Third Party Offer") to purchase for cash all or any of the Securities then held by the Offeror (the "Offered Securities"), which Third Party Offer the Offeror has accepted (subject to compliance with the provisions of this Section 6.5 and Section 6.6), the Offeror shall deliver a notice in writing (the "Notice of Sale") to the Corporation and the Investors (the "Other Shareholders") offering to sell to the Other Shareholders and the Corporation the Offered Securities at the same price and in all other respects on the same terms and conditions as provided in the Third Party Offer (except that the Notice of Sale shall be deemed to contain the provisions of Section 7.1). The Offeror shall deliver with the Notice of Sale, a true copy of the Third Party Offer and, if the Third Party is a corporation, the names of the principal shareholders (if available), officers and directors of the Third Party and any other material information with respect to the Third Party in the possession of the Offeror. The offer contained in the Notice of Sale shall be irrevocable except with the consent of a Preferred Majority (which shall include, for so long as Section 6.13 remains in effect, Qorvo, for so long as it holds Securities, and Ubiquiti, for so long as it holds Securities) and the Corporation and shall be open for acceptance for a period of ten (10) Business Days (in the case of the Corporation) or twenty (20) Business Days (in the case of the Other Shareholders) after the date upon which the Notice of Sale was delivered to the last of the Other Shareholders (the "Acceptance Period").

(b) Subject to Section 6.5(c), upon the Notice of Sale being given, the Corporation and the Other Shareholders have the right to purchase all, but not less than all, of the Offered Securities; provided, that, the right of the Other Shareholders, individually or collectively, to purchase the Offered Securities extends only to those Offered Securities that the Corporation does not offer to purchase within the applicable Acceptance Period. The right of the Other Shareholders is shared among the Other Shareholders pro rata based upon the number of Fully Diluted Investor Securities which the Other Shareholders hold and/or have the right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants) as of the date of the Notice of Sale or in such other proportion as all of the Other Shareholders may agree in writing.

(c) Upon the Notice of Sale being given, and in the event that the Offeror has not claimed the maximum capital gains deduction available under Section 110.6 of the Income Tax Act

(Canada) (the "ITA"), the Other Shareholders shall first have the option to purchase (allocated on a pro rata basis as among their respective holdings of Fully Diluted Investor Securities), all or a portion of that number of the Offered Securities sufficient to maximize the Offeror's capital gains deduction available under the ITA, within the applicable Acceptance Period. Any Offered Securities not so purchased by the Other Shareholders in accordance with this Section 6.5(c), shall be thereafter offered to the Corporation and the Other Shareholders in accordance with Section 6.5(b) above.

(d) Within the applicable Acceptance Period, subject to Section 6.5(c), each of the Corporation and the Other Shareholders may give to the Offeror a notice in writing (an "Acceptance Notice") accepting the offer contained in the Notice of Sale and specifying the maximum number of the Offered Securities it wishes to acquire (which number, in the case of the Other Shareholders, may be greater than or less than its pro rata entitlement set forth in paragraph (b) above). If no such notice is given by the Corporation or any Other Shareholder, as the case may be, within the applicable Acceptance Period, the Corporation and/or Other Shareholder, as applicable, shall be deemed to have rejected the offer contained in the Notice of Sale. If any Other Shareholder does not deliver an Acceptance Notice within the applicable Acceptance Period or specifies in its Acceptance Notice a number of Securities less than its pro rata entitlement set forth in paragraph (b) above, then any unaccepted Offered Securities are deemed to have been offered, by the Offeror, to such of the Other Shareholders who specified in their Acceptance Notice a desire to acquire a number of the Offered Securities greater than their pro rata entitlement, and each such Other Shareholder is, subject to the maximum number of the Offered Securities specified in its Acceptance Notice, entitled to acquire, as between such Other Shareholders who have delivered Acceptance Notices in accordance with this Section 6.5(d), its pro rata share of the unaccepted Offered Securities based upon the number of Fully Diluted Investor Securities that such Other Shareholders (who have specified in their Acceptance Notices a desire to acquire a number of the Offered Securities greater than their pro rata entitlement) hold or have the right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants), or in such other proportion as such Other Shareholders agree in writing.

(e) If the Corporation or the Other Shareholders, or any of them, give Acceptance Notices within the Acceptance Period confirming their agreement to purchase all, but not less than all, of the Offered Securities, the sale of the Offered Securities to the Corporation and/or such Other Shareholders shall be completed within 20 Business Days of the expiry of the Acceptance Period applicable to the Other Shareholders. If the Offeror does not receive Acceptance Notices from the Corporation or the Other Shareholders, or any of them, within the Acceptance Period confirming their agreement to purchase all of the Offered Securities, then the rights of the Corporation and/or the Other Shareholders to purchase the Offered Securities shall cease and the Offeror may, subject to Section 6.6, sell the Offered Securities to the Third Party at the price and upon the terms and conditions specified in the Third Party Offer.

(f) Any Transfer to the Third Party pursuant to this Section must be completed within sixty (60) days following the expiry of the Acceptance Period, failing which the provisions of this Agreement shall again apply to any proposed Transfer of Securities, and so on from time to time.

(g) All Acceptance Notices or other notices under this Section 6.5 must be given concurrently to all Other Shareholders and to the Corporation.

(h) To permit the practical implementation of this Section 6.5, no Securities may be sold by any Shareholder as part of or incidental to the sale of any other assets or any other transaction.

(i) This Section 6.5 shall not apply if: (i) the Investors exercise the drag-along rights provided in Section 6.7 with respect to the Third Party Offer; (ii) the Transfer is effected pursuant to Section 6.8(d); (iii) the Transfer of Shares is effected pursuant to a written agreement between a Founder or Principal (and/or the Family Trust he Controls) and the Corporation providing for the repurchase of Shares at a price not exceeding the original purchase price thereof upon the termination of the Founder's or Principal's employment or service to the Corporation or its Affiliates; (iv) the Transfer is effected pursuant to a Stock Restriction Agreement (as defined in the Class C Subscription Agreement) or (v) the Transfer is effected pursuant to Section 6.13.

(j) Notwithstanding the foregoing, this Section 6.5 shall not apply to any Transfer of Securities by an Investor to any Person.

6.6 Co-Sale Rights

(a) If any Shareholder (other than an Investor) (the "Selling Party") receives a Third Party Offer, after having first complied with any obligations under Section 6.5 of this Agreement to first offer and sell its Securities to the Corporation and/or the Other Shareholders, then, prior to the acceptance of the Third Party Offer, the Selling Party shall notify all of the Investors (the "Remaining Shareholders") of such proposed sale and the terms of such proposed sale and the Selling Party shall, if required by a Remaining Shareholder, obtain from the Third Party a bona fide offer addressed to each of the Remaining Shareholders, on terms and conditions at least as favourable as those contained in the Third Party Offer, to purchase from each Remaining Shareholder (the "Co-Sale Offer"): (i) that number of Fully Diluted Shares that is the same portion of the total number of Fully Diluted Shares which the Remaining Shareholder holds and/or has the right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants) (as applicable), as the number of Securities proposed to be sold by the Selling Party pursuant to the Third Party Offer bears to the total number of Securities then held by the Selling Party, or (ii) if the Third Party Offer relates to a limited number of Securities only, such limited number of Securities multiplied by the quotient of X/Y, where X is equal to the total number of Fully Diluted Shares then held by the Remaining Shareholder and which the Remaining Shareholder has a right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants) (as applicable), and Y is equal to the sum of the limited number of Securities to which the Third Party Offer relates plus the number of Fully Diluted Shares that all Remaining Shareholders desiring to participate in the proposed sale hold and/or have a right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants) (as applicable) and, in the case of a sale of Securities by any Remaining Shareholder(s) under this Section 6.6, the number of Securities to be sold by the Selling Party shall be reduced in order to accommodate the number of Securities to be sold by the Remaining Shareholder(s).

(b) The Selling Party shall deliver the Co-Sale Offer to the Remaining Shareholders, together with a copy of the Third Party Offer. The Co-Sale Offer shall be irrevocable and shall be open for acceptance by the Remaining Shareholders for thirty (30) days after the delivery thereof to the last of the Remaining Shareholders. If, within such thirty (30) day period, a Remaining Shareholder does not provide the Selling Party with notice of such Remaining Shareholder's intent to accept or reject the Co-Sale Offer, such Remaining Shareholder shall be deemed to have rejected the Co-Sale Offer.

(c) In the event that a Remaining Shareholder does not own a sufficient number of the class(es) of Securities specified in the Co-Sale Offer to permit it to sell the maximum number of Securities it wishes to sell pursuant to the Co-Sale Offer, then, notwithstanding the foregoing, the Third Party shall, as a condition precedent to its purchase of any Securities, be required to amend the terms of offer set out in the Co-Sale Offer such that the Third Party shall be required to purchase from such Remaining Shareholder the number and class(es) of Securities that such Remaining Shareholder wishes and is entitled to sell pursuant to the Co-Sale Offer (subject to the maximum number of Securities it may sell under the Co-Sale Offer pursuant to Section 6.6(a)).

(d) The price per share for any Securities in respect of which a co-sale right under this Section 6.6 is exercised will be computed on the basis of an appropriate, reasonable discount or premium related to the terms and conditions of each class of Securities to be sold by the Selling Party and the Remaining Shareholders for which any other class of Securities to be sold by the Selling Party and the Remaining Shareholders are not entitled to.

(e) This Section 6.6 shall not apply if: (i) the Investors exercise the drag-along rights provided in Section 6.7 with respect to the Third Party Offer; (ii) the Transfer is effected pursuant to Section 6.8(d); (iii) the Transfer of Shares is effected pursuant to a written agreement between a Founder or Principal (and/or the Family Trust he Controls) and the Corporation providing for the repurchase of Shares at a price not exceeding the original purchase price thereof upon the termination of the Founder's or Principal's employment or service to the Corporation or its Affiliates; (iv) the Transfer is effected pursuant to a Stock Restriction Agreement (as defined in the Class C Subscription Agreement); or (v) the Transfer is effected pursuant to Section 6.13.

(f) Notwithstanding the foregoing, this Section 6.5 shall not apply to any Transfer of Securities by an Investor to any Person.

6.7 <u>Drag Along Rights</u>

(a) If:

(i) an offer is made to the Corporation and/or one or more of the Shareholders by any person (including any Shareholder) that provides for: (A.) any merger, amalgamation, reorganization, consolidation or other transaction involving the

Corporation and any other corporation or other entity or person in which the persons who were the shareholders of the Corporation immediately prior to such merger, amalgamation, reorganization, consolidation or other transaction own less than fifty percent (50%) of the outstanding voting shares of the surviving or continuing entity after such merger, amalgamation, reorganization, consolidation or other transaction; (B.) the sale, exchange or transfer by the Corporation's shareholders, in a single transaction or series of related transactions, of capital shares representing not less than a majority of the outstanding voting shares of the Corporation; or (C.) (x) the sale, lease, license, abandonment, transfer or other disposition of all or substantially all the assets of the Corporation or of all or substantially all of the Corporation's material intellectual property and technology or (y) the exclusive license of all or substantially all of the Corporation's material intellectual property and technology (any transaction referred to in (A.), (B.) or (C.) above being hereinafter referred to as a "Sale Transaction"); and

(ii) subject to compliance with Section 6.13, the Sale Transaction has been irrevocably accepted, or otherwise approved, by Shareholders (the "Accepting Shareholders") holding, and/or having the right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants) and any other Preferred Shares then outstanding, not less than sixty percent (60%) of the aggregate number of Common Shares outstanding plus the number of Common Shares issuable on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants) and any other Preferred Shares then outstanding, calculated and voting as a single class,

then, upon being notified by the Corporation or such offeror of the names of the Shareholders who have irrevocably accepted or otherwise approved such offer and the number of Securities in respect of which they have irrevocably accepted, or otherwise approved, the Sale Transaction, subject to Sections 6.7(c) and 6.16, each Shareholder: (I.) shall, if the Sale Transaction involves a sale or other tender of Securities, sell all of the Securities held by such Shareholder to the offeror pursuant to the terms of the Sale Transaction in accordance with the offer upon the terms and at the price contained in the offer, (II.) shall vote in favour of (for the purposes of any approval required by the Act, the Articles, this Agreement, any Share Restriction Agreement or otherwise), and otherwise act, to approve the Sale Transaction and any continuance, reorganization or recapitalization or any other change or amendment to the Articles and this Agreement, approved by the Accepting Shareholders, that is necessary or desirable to facilitate the Sale Transaction, as applicable, provided that such continuance, reorganization, recapitalization or other change or amendment does not adversely affect the aggregate proceeds from the Sale Transaction that would otherwise be received by such Shareholder; and (III.) shall provide such representations, warranties, indemnities, covenants, non-compete agreements, escrow agreements and other agreements as may be required by the offeror and agreed by the Accepting Shareholders pursuant to such Sale Transaction, provided that the liability of each Shareholder does not (in the absence of fraud or intentional misrepresentation on its part) exceed its proportionate interest in the proceeds of the Sale Transaction and, in the case of Ubiquiti and IDT, that neither Ubiquiti nor IDT shall be required to provide any covenant or enter into any noncompetition or other agreement where, in the reasonable opinion of Ubiquiti or IDT, as applicable, such covenant or agreement may restrict or interfere with the ability of Ubiquiti or IDT, respectively, to operate its existing or anticipated business operations. To the extent permitted by law, each Shareholder hereby expressly waives any right to dissent or appraisal under applicable laws with respect to the transactions or approvals referred to in clause (II.) above.

(b) Notwithstanding the foregoing, none of the Investors (nor their respective Permitted Transferees) is required to comply with the terms of this Section 6.7 if:

(i) the offer to complete the Sale Transaction does not provide that the aggregate proceeds from the Sale Transaction shall be distributed as if such sale constituted a Liquidation Event as defined in the Articles;

(ii) any Founder or Principal and/or, in either case, any Family Trust he Controls receives or will receive compensation, directly or indirectly, in connection with the offer: (A.) in excess of an amount for such Founder's Shares that is commensurate on a share-for-share basis with the amount received by each other holder of Common Shares; or (B.) that is not reasonably attributable to such Founder's or Principal's future employment with the Corporation or the Person acquiring the Securities;

(iii) the liability of such Investor under the purchase agreement for the Sale Transaction (including, without limitation, liability for a breach of representation or warranty or for a claim under an indemnity) exceeds with respect to such Investor the lesser of such Investor's (A.) pro rata share of any claim; and (B.) the purchase price payable to such Investor; or

(iv) the Sale Transaction is conditioned on any requirement by an offeror that would prevent or restrict such Investor's ability to make investments in any business.

(c) Notwithstanding any other provisions of this Section 6.7, if the consideration to be received by an Investor in connection with the Sale Transaction is comprised of, in whole or in part, any securities of another Person without the express prior written consent of such Investor to participate in such Sale Transaction, such non-consenting Investor (a "Non-Consenting Investor") may require the Corporation to repurchase all (and not less than all) of the Securities owned by the Non-Consenting Investor prior to the Sale Transaction for the Ontario Repurchase Price of such Securities and otherwise in accordance with Section 5.3(n) hereof, unless:

(i) such securities of the other Person are listed and posted for trading on any of the Toronto Stock Exchange, the New York Stock Exchange, the NASDAQ or any other stock exchange as the Board and a Preferred Majority may approve; or

(ii) such Person:

(A) is an Ontario Company;

(B) does not, directly or indirectly through a subsidiary or otherwise, engage in:

I the sale, marketing or provision of gambling, gambling services or pornography;

II the production, sale or marketing of tobacco or alcohol products; or

III the manufacture, sale, distribution or promotion of goods or services that are not legal in the Province of Ontario; and

(C) enters into a written agreement with OCGC and the Non-Consenting Investor containing the covenants set out in Sections 5.3(m) and 5.3(n).

If the Corporation has insufficient funds to repurchase all of the Securities owned by the Non-Consenting Investors who have required the Corporation to repurchase all of their Securities pursuant to this Section 6.7(c), then, such repurchases shall first be made as among such Non-Consenting Investors who are holders of the Preferred Shares on a *pro rata* and *pari passu* basis (but otherwise in accordance with Section 5.3(n) hereof), to the extent funds are then legally available for such repurchases. Thereafter, as and to the extent legally available funds for the repurchase thereof under this Section 6.7(c) exist from time to time, the Corporation shall repurchase the Preferred Shares as among such Non-Consenting Investors, on the same basis set forth above, until all of the Preferred Shares held by such Non-Consenting Investors have been repurchased. Thereafter, as and to the extent legally available funds for the repurchase thereof under this Section 6.7(c) exist from time to time (but only after all of the Preferred Shares held by the Non-Consenting Investors who have required the Corporation to repurchase all of their Securities pursuant to this Section 6.7(c) have been repurchased in accordance with the foregoing), the Corporation shall repurchase, on a pro rata basis, any other Securities held by the Non-Consenting Investors who have required the Corporation to repurchase all of their Securities pursuant to this Section 6.7(c).

6.8 Mandatory Sale

If: (a) the Investors request a redemption of the Preferred Shares pursuant to the Articles, and the Corporation fails to redeem such shares in accordance with the Articles (whether such failure is by reason of the insufficiency of the funds of the Corporation legally available for such redemption or otherwise), or (b) the Corporation has not completed an Initial Public Offering on or before July 4, 2021:

(a) the Preferred Majority shall be entitled to require the CEO Nominee, the Common Share Nominee and the Independent Nominee (or any one of, or any combination of, the foregoing directors) to immediately resign from the Board;

(b) the size of the Board shall be reduced to such number of directors as the Preferred Majority may agree and Shareholders other than the Preferred Majority shall lose any right to nominate and have elected any director or directors to the Board (provided that the Board must continue to include the CHVP Nominee, the iNovia Nominee, the Roadmap Nominee and the VentureLink Nominee);

(c) the Board constituted in accordance with the above shall be permitted to retain an investment advisor, at the expense of the Corporation, and instruct such investment advisor to solicit offers to complete a Sale Transaction;

(d) the provisions of Section 6.7 (other than Section 6.7(b)(i)) shall apply, *mutatis mutandis*, to all Shareholders in respect of the first offer constituting a Sale Transaction (provided that such offer is on the same terms and conditions (including price), for all shares of the same class) recommended for acceptance by the investment adviser and approved by a Preferred Majority (who shall be deemed to constitute the Accepting Shareholders for the purposes of Sections 6.7 and 10.9). In addition, all Shareholders shall cause, to the extent applicable and permitted by law, their respective nominees on the Board to accept such offer; and

(e) the Investors shall no longer be bound by the provisions of Section 6.1 with respect to their Investor Securities unless, other than in connection with a Sale Transaction, an Investor proposes a Transfer of Securities in which case the provisions of Sections 6.11 and 6.12 shall apply to the proposed Transfer.

6.9 Consent to Financing

If the Board and a Preferred Majority determine that it is in the best interests of the Corporation to proceed with a debt or equity financing of the Corporation (including, without limitation, an Initial Public Offering) (an "Offering"): (i) each of the Shareholders agrees to exercise the votes attaching to its Securities (including, without limitation, any Securities that are deemed to have been issued to such Shareholder under the terms of this Agreement for such purpose) and otherwise provide any consents or approvals required under the Securities and any other securities of the Corporation held by such Shareholder and to otherwise act to approve any such Offering, including without limitation, approving any required changes or amendments to the Articles (which may include amendments to the capital of the Corporation or amendments to facilitate the issuance or transfer of Securities or other securities of the Corporation under any applicable laws) and this Agreement approved by the Preferred Majority for the purpose of such Offering; and (ii) each Shareholder hereby expressly waives any right to dissent with respect to any changes to the Articles (including, without limitation, any changes described in (i) above) which are required for the purpose of any such Offering.

6.10 Lock-up

If requested in writing by the underwriters for the Initial Public Offering or Qualifying Public Offering of the Corporation, each Shareholder agrees not to Transfer any of its Securities without the consent of such underwriters and a Preferred Majority, for a period not to exceed one hundred and eighty (180) days following the effective date of the registration statement or the date of the final prospectus relating to such offering. This Section 6.10 shall not apply to Transfers by any Investor of its Fully Diluted Investor Securities if such Investor is subject to the market stand-off provisions in Section 7(a) of the Registration Rights Agreement with respect to the Transfer of such Securities.

6.11 Investors Right of First Refusal

(a) If an Investor (the "Offeror Investor") receives from a Third Party a Third Party Offer to purchase for cash all or any of the Securities then held by the Offeror Investor (the "Offered Investor Securities"), which Third Party Offer the Offeror Investor has accepted (subject to compliance with the provisions of this Section 6.11), the Offeror Investor shall deliver a notice in writing (the "Investor Notice of Sale") to the Corporation and the other Investor(s) (the "Other Investors") offering to sell to the Other Investors the Offered Investor Securities at the same price and in all other respects on the same terms and conditions as provided in the Third Party Offer (except that the Investor Notice of Sale shall be deemed to contain the provisions of Section 7.1). The Offeror Investor shall deliver with the Investor Notice of Sale, a true copy of the Third Party Offer and, if the Third Party is a corporation, the names of the principal shareholders (if available), officers and directors of the Third Party and any other material information with respect to the Third Party in the possession of the Offeror Investor. The offer contained in the Investor Notice of Sale shall be irrevocable except with the consent of a Preferred Majority (which shall include, for so long as Section 6.13 remains in effect, Qorvo, for so long as it holds Securities, and Ubiquiti, for so long as it holds Securities) and shall be open for acceptance for a period of twenty (20) Business Days after the date upon which the Investor Notice of Sale was delivered to the last of the Other Investors (the "Investor Acceptance Period").

(b) Upon the Investor Notice of Sale being given, the Other Investors have the right to purchase all, but not less than all, of the Offered Investor Securities. The right of the Other Investors is shared among the Other Investors pro rata based upon the number of Fully Diluted Investor Securities which the Other Shareholders hold or have the right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants) as of the date of the Investor Notice of Sale or in such other proportion as all of the Other Investors may agree in writing.

(c) Within the Investor Acceptance Period, each of the Other Investors may give to the Offeror Investor a notice in writing (an "Investor Acceptance Notice") accepting the offer contained in the Investor Notice of Sale and specifying the maximum number of the Offered Investor Securities it wishes to acquire (which number may be greater than or less than its pro rata entitlement set forth in paragraph (b) above). If no such Investor Acceptance Notice is given by the Other Investors within the Investor Acceptance Period, the Other Investors shall be deemed to have rejected the offer contained in the Investor Notice of Sale. If any Other Investor does not give an Investor Acceptance Notice within the Investor Acceptance Period or specifies in its Investor Acceptance Notice a number of Securities less than its pro rata entitlement set forth in paragraph (b) above, then any unaccepted Offered Investor Securities are deemed to have been offered, by the Offeror Investor, to such of the Other Investors who specified in their Investor Acceptance Notice a desire to acquire a number of the Offered Investor Securities greater than their pro rata entitlement, and each such Other Investor is, subject to the maximum number of the Offered Investor Securities specified in its Investor Acceptance Notice, entitled to acquire, as between such Other Investors who have delivered Investor Acceptance Notices in accordance with this Section 6.11(c), its pro rata share of the unaccepted Offered Investor Securities based upon the number of Fully Diluted Investor Securities that such Other Investors (who have specified in their Investor Acceptance Notices a desire to acquire a number of the Offered Securities greater than their pro rata entitlement) hold or have the right to acquire on the exercise of the Warrants and the conversion of the Investor Shares (other than the Warrants), or in such other proportion as such Other Investors agree in writing.

(d) If Other Investors, or any of them, give Investor Acceptance Notices within the Investor Acceptance Period confirming their agreement to purchase all, but not less than all, of the Offered Investor Securities, the sale of the Offered Investor Securities to such Other Investors shall be completed within twenty (20) Business Days of the expiry of the Investor Acceptance Period applicable to the Other Investors. If the Offeror Investor does not receive Investor Acceptance Notices from the Other Investors, or any of them, within the Investor Acceptance Period confirming their agreement to purchase all of the Offered Investor Securities, then the Offeror Investor shall send written notice to Qorvo and to Ubiquiti providing Qorvo, first, and Ubiquiti, second, the opportunity to purchase the remaining unaccepted Offered Investor Securities (regardless of whether Qorvo and Ubiquiti each previously submitted an Acceptance Notice). Qorvo shall have 5 Business Days from receipt of such notice to submit an Acceptance Notice to the Offeror Investor and provide a copy to Ubiquiti, agreeing to purchase all of the remaining unaccepted Offered Investor Securities. If Qorvo does not timely submit an Acceptance Notice in accordance with the preceding sentence, then Ubiquiti shall subsequently forthwith have 5 Business Days (for further certainty, until the tenth (10^{th}) Business Day following the receipt of the Offeror Investor's written notice) to submit an Acceptance Notice to the Offeror Investor agreeing to purchase all of the remaining unaccepted Offered Investor Securities. If Ubiquiti does not timely submit an Acceptance Notice in accordance with the preceding sentence, then the rights of the Other Investors, Qorvo, and Ubiquiti to purchase the Offered Investor Securities shall cease and the Offeror Investor may, subject to Section 6.12, sell the Offered Investor Securities to the Third Party at the price and upon the terms and conditions specified in the Third Party Offer.

(e) Any Transfer to the Third Party pursuant to this Section 6.11 must be completed within sixty (60) days following the expiry of the Investor Acceptance Period, failing which the provisions of this Agreement shall again apply to any proposed Transfer of Securities, and so on from time to time.

(f) All Investor Acceptance Notices or other notices under this Section 6.11 must be given concurrently to all Other Investors and to the Corporation.

(g) To permit the practical implementation of this Section 6.11, no Securities may be sold by any Investor as part of or incidental to the sale of any other assets or any other transaction.

(h) This Section 6.11 shall not apply if: (i) the Investors exercise the drag-along rights provided in Section 6.7 with respect to the Third Party Offer; (ii) the Transfer is effected pursuant to Section 6.8(d); or (iii) the Transfer is effected pursuant to Section 6.13. The provisions of this Section 6.11 in favour of Qorvo shall cease to apply if Qorvo ceases to hold Securities and the provisions of this Section 6.11 in favour of Ubiquiti shall cease to apply if Ubiquiti ceases to hold Securities.

6.12 Investors Co-Sale Rights

(a) If an Offeror Investor receives a Third Party Offer, after having first complied with any obligations under Section 6.11 of this Agreement to first offer and sell its Securities to the Other Investors, then, prior to the acceptance of the Third Party Offer, the Offeror Investor shall notify all of the Other Investors (the "Remaining Investors") of such proposed sale and the terms of such proposed sale and the Offeror Investor shall, if required by any Remaining Investor, obtain from the Third Party a bona fide offer addressed to each such Remaining Investors, on terms and conditions at least as favourable as those contained in the Third Party Offer, to purchase from each such Remaining Investor (the "Investor Co-Sale Offer"): (i) that number of Fully Diluted Shares that is the same portion of the total number of Fully Diluted Shares which the Remaining Investor holds or has the right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants), as the number of Securities proposed to be sold by the Offeror Investor pursuant to the Third Party Offer bears to the total number of Fully Diluted Securities then held by the Offeror Investor, or (ii) if the Third Party Offer relates to a limited number of Securities only, such limited number of Securities multiplied by the quotient of X/Y, where X is equal to the total number of Fully Diluted Shares then held by the Remaining Investor and which the Remaining Investor has a right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants), and Y is equal to the sum of the limited number of Securities to which the Third Party Offer relates plus the number of Fully Diluted Shares that all Remaining Investors desiring to participate in the proposed sale hold or have a right to acquire on the exercise of the Warrants and the conversion of the Investor Securities (other than the Warrants) (as applicable) and, in the case of a sale of Securities by any Remaining Investor(s) under this Section 6.12, the number of Securities to be sold by the Offeror Investor shall be reduced in order to accommodate the number of Securities to be sold by the Remaining Investor(s).

(b) The Offeror Investor shall deliver the Investor Co-Sale Offer to the Remaining Investors, together with a copy of the Third Party Offer. The Investor Co-Sale Offer shall be irrevocable and shall be open for acceptance by the Remaining Investors for thirty (30) days after the delivery thereof to the last of the Remaining Investors. If, within such thirty (30) day period, a Remaining Investor does not provide the Offeror Investor with notice of such Remaining Investor's intent to accept or reject the Investor Co-Sale Offer, such Remaining Investor shall be deemed to have rejected the Investor Co-Sale Offer. A Remaining Investor shall not be required to comply with Section 6.11 or this Section 6.12 in respect of a sale of Securities pursuant to an Investor Co-Sale Offer.

(c) In the event that a Remaining Investor does not own a sufficient number of the class(es) of Securities specified in the Investor Co-Sale Offer to permit it to sell the maximum number of Securities it wishes to sell pursuant to the Investor Co-Sale Offer, then, notwithstanding the foregoing, the Third Party shall, as a condition precedent to its purchase of any Securities, be required to amend the terms of offer set out in the Investor Co-Sale Offer such that the Third Party shall be required to purchase from such Remaining Investor the number and class(es) of Securities that such Remaining Investor wishes and is entitled to sell pursuant to the Investor Co-Sale Offer (subject to the maximum number of Securities it may sell under the Investor Co-Sale Offer pursuant to Section 6.12(a)).

(d) The price per share for any Securities in respect of which a co-sale right under this Section 6.12 is exercised will be computed on the basis of an appropriate, reasonable discount or premium related to the terms and conditions of each class of Securities to be sold by the Offeror Investor and the Remaining Investors for which any other class of Securities to be sold by the Offeror Investor and the Remaining Investors are not entitled to.

(e) This Section 6.12 shall not apply if: (i) the Investors exercise the drag-along rights provided in Section 6.7 with respect to the Third Party Offer; (ii) the Transfer is effected pursuant to Section 6.8(d); or (iii) the Transfer is effected pursuant to Section 6.13.

6.13 <u>Sale Transactions</u>

(a) Definitions.

Whenever used in this Section 6.13, the following words and terms have the meanings set out below:

"<u>Bona Fide Offer</u>" means the Corporation or any Shareholder receives from any person (including any Shareholder) a bona fide, arm's-length, written offer or written proposal to enter into or concerning any possible Sale Transaction that the Board is willing to accept.

"<u>Solicit</u>" a Sale Transaction means (i) directly or indirectly engage in any negotiations relating to, or which would reasonably be expected to lead to, a Sale Transaction with any Third Party, (ii) solicit, initiate or propose to engage in, or knowingly encourage, facilitate or induce the making, submission or announcement of any such negotiations, (iii) furnish to any Third Party any non-public information relating to the Corporation for the known purpose of assisting or facilitating the making of a Bona Fide Offer or any inquiry, offer or proposal that would reasonably be expected to lead to a Bona Fide Offer, or (iv) execute or enter into any letter of intent, memorandum of understanding or contract contemplating or otherwise relating to a Sale Transaction or otherwise consummate or commit to consummate any Sale Transaction with any Third Party.

(b) <u>Application of this Section 6.13.</u>

(i) The provisions of Sections 6.5, 6.6, 6.11 and 6.12 shall not apply to any Third Party Offer to purchase Securities from any Shareholder if such purchase, together with the purchase of Securities from any other Shareholders by such Third Party or any of its Affiliates in any transaction or series of related transactions, would constitute a Sale Transaction, in which case, the provisions of this Section 6.13 shall apply to such Third Party Offer.

(ii) In no event shall the Corporation or any Shareholders enter into a Sale Transaction except in compliance with this Section 6.13 and Section 6.16.

(iii) The terms and conditions of this Section 6.13 shall apply to each Bona Fide Offer received by the Corporation or any Shareholder, notwithstanding the receipt of any prior Bona Fide Offer and compliance with this Section in connection with such prior Bona Fide Offer.

(iv) The provisions of this Section 6.13 shall not limit either Qorvo or Ubiquiti from engaging in any negotiations with the Corporation regarding a Sale Transaction at any time.

(c) ROFR Notice. If the Corporation and/or one or more of the Shareholders receives a Bona Fide Offer, the Corporation or such Shareholder(s) shall within two (2) Business Days notify Qorvo and Ubiquiti in writing, which notice (the "ROFR Notice") shall describe in reasonable detail (i) the assets, rights and properties that are the subject of the proposed Sale Transaction, (ii) the price and any other material financial and other terms, and any conditions, proposed in connection with such Sale Transaction ("Material Terms"), (iii) to the extent known, the identity of all proposed parties to such Sale Transaction, and (iv) the name of the principal shareholders, members or partners (as applicable and if available), officers and directors (or members of a comparable governing body) of the offeror and any other material information with respect to the offeror in the possession of the person providing such notice and a good faith indication of the level of the Corporation's or the applicable Shareholders' interest in accepting such offer. The Corporation and/or the applicable Shareholder shall also notify Qorvo and Ubiquiti in writing of any offer or proposal that would constitute a Bona Fide Offer except that the Board has not expressed a willingness to accept such offer or proposal, and such notice shall contain the same information as a ROFR Notice but Section 6.13(d), (e) and (f) shall not apply with respect to such notice unless and until such offer or proposal becomes a Bona Fide Offer.

(d) Rights of First Refusal. The ROFR Notice shall constitute an irrevocable offer to Qorvo, first, and Ubiquiti, second and only if Qorvo does not deliver an Acceptance Notice pursuant to the terms of this Section 6.13(d), to enter into an agreement with the Corporation or the Shareholders, as the case may be, at the same price and on the same Material Terms as such Bona Fide Offer (the "ROFR Offer"), subject to the Corporation's right to seek a Second Bona Fide Offer as set forth herein. At any time prior to the expiration of the twenty (20) day period following Qorvo's receipt of the ROFR Offer (the "ROFR Period"), Qorvo (for itself or for one or more of its Affiliates) and Ubiquiti (for itself or for one or more of its Affiliates) may each accept the ROFR Offer by delivery to the Corporation of a written notice of acceptance containing the Material Terms and any standard and customary conditions applicable to a transaction of this nature, executed by Qorvo or its Affiliates or by Ubiquiti or its Affiliates, as applicable (an "Acceptance Notice"); provided that any Acceptance Notice delivered by Ubiquiti or its Affiliates shall only be effective if Qorvo does not deliver an Acceptance Notice pursuant to the terms of this Section 6.13(d); provided, further, that neither Qorvo and its Affiliates or Ubiquiti and its Affiliates shall be required to accept any non-financial terms or conditions contained in any Material Terms that cannot be fulfilled by Qorvo or its Affiliates or by Ubiquiti or its Affiliates, as applicable, as readily as by any other person or entity (e.g., an agreement conditioned upon the services of a particular person). If Qorvo or Ubiquiti delivers an Acceptance Notice within the ROFR Period, the Corporation may, during the ten (10)-day period following its receipt of the first such Acceptance Notice so received, seek from the person who submitted the initial Bona Fide Offer a second Bona Fide Offer containing Material Terms more favorable than those provided in the initial Bona Fide Offer (a "Second Bona Fide Offer"). If such person delivers a Second Bona Fide Offer within such 10-day period, the procedures set forth in Section 6.13(c) and this Section 6.13(d) shall again apply; provided if either Qorvo or Ubiquiti did not deliver an Acceptance Notice with respect to the initial ROFR Offer pursuant to the terms of this Section 6.13(d), such party shall not receive a ROFR Offer with respect to the Second Bona Fide Offer and shall not be entitled to deliver an Acceptance Notice with respect to such second ROFR Offer; and provided, further, that if either Qorvo or Ubiquiti timely delivers an Acceptance Notice with respect to the Second Bona Fide Offer, the Corporation shall have no further right to seek a third Bona Fide Offer.

(e) Exclusivity. During the period from the commencement of the first ROFR Period through the delivery of an Acceptance Notice with respect to a Bona Fide Offer or Second Bona Fide Offer, as the case may be, or the expiration of the ROFR Period with respect to the Bona Fide Offer or Second Bona Fide Offer, as the case may be, the Corporation shall not Solicit any Sale Transaction from any person (including any Shareholder). If, by the expiration of the applicable ROFR Period, neither Qorvo nor Ubiquiti has accepted the applicable ROFR Offer, provided that the Corporation and the Shareholders have complied with all of the provisions of this Section 6.13, then at any time during the one hundred twenty (120) day period following expiration of the applicable ROFR Period, the Corporation shall be permitted to (i) Solicit Third Parties with respect to a Sale Transaction and (ii) consummate a Sale Transaction with a Third Party that is (A) substantially similar, with respect to structure and the assets, rights and properties that are the subject of such Sale Transaction to the proposed Sale Transaction that was described in the ROFR Notice most recently delivered to Qorvo, Ubiquiti or both of them, as the case may be, or to any other proposed Sale Transaction as to which Qorvo or Ubiquiti, on one hand, and the Corporation or the Shareholders, on the other hand, as the case may be (and their respective Affiliates and representatives), had bona fide active discussions during the most recent ROFR Period and (B) otherwise at a price and on other Material Terms that are the same or more favorable to the Corporation and the Shareholders as the Material Terms in the most recent ROFR Offer. If such transaction is not consummated within such one hundred twenty (120) day period, the terms and conditions of this Section 6.13 will again apply.

(f) Access to Books and Records. During each ROFR Period, the Corporation shall provide Qorvo and Ubiquiti with reasonable and timely access to all books, records, personnel, external advisors, facilities and customers (the timing of such access to personnel and customers to be mutually agreed upon between the Corporation and Qorvo or between the Corporation and Ubiquiti, as the case may be) and to business, financial, legal, regulatory tax, compensation and other data and information concerning the Corporation.

(g) The provisions of this Section 6.13 shall automatically terminate on the date that is the earlier of (x) December 31, 2020 or (y) the six-month anniversary of the date upon which the Second Closing or Third Closing (in each case as defined under the Qorvo 2018 Subscription Agreement) is determined by the parties not to occur for any reason in accordance with the Qorvo 2018 Subscription Agreement, other than failure by the Corporation to satisfy the conditions set forth in Section 6.2(a)(ii) or Section 6.3(a)(ii) of the Qorvo 2018 Subscription Agreement. The provisions of this Section 6.13 in favour of Qorvo shall cease to apply if Qorvo ceases to hold Securities and the provisions of this Section 6.13 in favour of Ubiquiti shall cease to apply if Ubiquiti ceases to hold Securities.

6.14 Delegation of Rights by Investors

Each Investor may from time to time transfer all or any part of its rights to purchase or acquire securities of the Corporation pursuant to Sections 6.3, 6.5, 6.6, 6.11, 6.12 or 6.13 to one or more Persons who would qualify as a Permitted Transferee of such Investor pursuant to Section 6.4(a), provided that any such Person who so purchases or acquires securities of the Corporation complies with Section 6.1(b).

6.15 Purchases by Regulated Funds

Notwithstanding any other terms of this Agreement, in the case of any agreement by an Investor that is governed by the *Community Small Business Investment Funds Act* (Ontario), as it may be amended from time to time, or any successor legislation thereto (each a "Regulated Fund") to purchase Shares from any Shareholder under the terms of this Agreement, each such Regulated Fund may, at its option and subject to applicable law, require that, to effect such transaction, the Corporation shall redeem or purchase for cancellation such Shares at the agreed upon purchase price and, concurrently therewith, each such Regulated Fund shall subscribe for, and the Corporation shall issue, the same number and kind of Shares at the agreed upon purchase price; provided that this mechanism shall only be effected to the extent neither the applicable Shareholder nor the Corporation suffers any negative tax consequences or additional costs as a result thereof, or each such Regulated Fund agrees to fully compensate by payment of immediately available funds the applicable Shareholder or the Corporation, as applicable, for any such negative tax consequences or material costs at the time of completion of such transaction.

6.16 Covenant in Favour of Ubiquiti

In no event shall the Corporation or any Shareholder enter into a Sale Transaction unless the Person or Persons acquiring the assets or voting securities of the Corporation pursuant to such Sale Transaction execute and deliver to Ubiquiti an Assignment and Assumption Agreement substantially in the form attached hereto as Schedule "D" concurrently with or immediately prior to the closing of such Sale Transaction, pursuant to which such Person or Persons will assume the Corporation's obligations and rights under the License and Development Agreement and the Master Purchase and Supply Agreement.

6.17 Exclusivity of Sections

Each of Sections 6.5, 6.6, 6.7, 6.11, 6.12 and 6.13 are exclusive, and the provisions of such Sections may only be relied upon by any party to this Agreement if the provisions of one of the other of such Sections are not at the same time being relied upon by the same or another Party.

ARTICLE 7
ARRANGEMENTS REGARDING DISPOSITIONS

7.1 Closing

The following provisions apply to any Transfer of Securities between Shareholders or between Shareholders and the Corporation pursuant to this Agreement or pursuant to a Stock Restriction Agreement (as defined in the Class C Subscription Agreement), as applicable, or by a Shareholder who wishes to or is required to sell Securities pursuant to Sections 5.3(n), 6.6, 6.7, 6.8, 6.11 or 6.12 of this Agreement:

(a) The Transfer shall be completed at the Corporation's registered office on the date specified for closing. At such time, the transferor(s) shall Transfer to the transferee(s) good title to the Securities being transferred free and clear of all liens, charges and encumbrances and deliver to the transferee(s) certificates and other documents of title evidencing ownership of the Securities being transferred, duly endorsed in blank for transfer by the holders of record. In addition, if the transferor is disposing of all or substantially of its Securities, the transferor(s) shall deliver to the Corporation all records, accounts and other documents in its possession belonging to the Corporation and the resignations and releases of its nominees on the Board, all such resignations to be effective no later than the time of delivery. The transferee(s) shall deliver to the transferor(s) full payment of the purchase price (subject to any escrow or holdback requirement) payable for the Securities being transferred.

(b) If, at the time of closing, a transferor (other than an Investor) fails to complete the subject transaction of purchase and sale, the transferee shall have the right, if not in default under this Agreement, without prejudice to any other rights that it may have, upon payment of that part of the purchase price payable to the transferor at the time of closing to the credit of the transferor in the main branch of the Corporation's bank, to execute and deliver, on behalf of and in the name of the transferor, such deeds, transfers, share certificates, resignations or other documents that may be necessary to complete the subject transaction and the transferor hereby irrevocably appoints the transferee its attorney in that behalf. Such appointment and power of attorney, being coupled with an interest, shall not be revoked by the insolvency or bankruptcy of the transferor and the transferor hereby ratifies and confirms and agrees to ratify and confirm all that the transferee may lawfully do or cause to be done by virtue of such appointment and power.

7.2 Repayment of Debt

(a) In the event that at the time of the sale of any Securities under any provision of this Agreement, the vendor thereof is indebted to the Corporation or any Affiliate thereof, the vendor shall assign and set over to the Corporation or such Affiliate and shall direct the purchaser to pay to the Corporation or such Affiliate, if requested by the Corporation to do so, the purchase price of such Securities to the extent required to discharge the vendor's indebtedness to the Corporation or such Affiliate.

(b) In the event that at the time of the sale of any Securities under any provision of this Agreement, the Corporation or any Affiliate thereof is indebted to the vendor, the Corporation or such Affiliate shall pay all such indebtedness to the vendor (unless it otherwise agrees in writing) at the time of closing herein provided for.

ARTICLE 8
CONFIDENTIALITY

8.1 Confidentiality

No Party shall, at any time or under any circumstances, without the consent of the Corporation and a Preferred Majority, directly or indirectly communicate or disclose to any Person (other than the other Parties and their employees, agents, advisors and representatives) or make use of any confidential knowledge or information howsoever acquired by such Party relating to or concerning the customers, products, technology, trade secrets, systems or operations, or other confidential information regarding the property, business and affairs of the Corporation (collectively, "Information"), except for:

(a) Information that becomes generally known in the industry to which the business of the Corporation is related other than through a breach of this Agreement;

(b) Information that is lawfully obtained from a third party without breach of this Agreement by the Party;

(c) Information that is reasonably required to be disclosed by a Party to protect its interests in connection with any proposed Transfer of Securities that is pursuant or subject to this Agreement; or

(d) Information that is required to be disclosed by law or by the applicable regulations or policies of any regulatory agency of competent jurisdiction or any stock exchange, provided that the Party gives the Corporation prompt written notice of the compelled disclosure and cooperates with the Corporation, at the Corporation's expense, in seeking a protective order or any other protections available to limit the disclosure of the Information.

If a Shareholder ceases to hold Securities of the Corporation, the Shareholder shall use all reasonable efforts to ensure that all Information and all copies thereof are either destroyed or returned to the Corporation if the Corporation so requests, and shall not, directly or indirectly, use for the Shareholder's own purposes, any Information discovered or acquired by the Shareholder or the Shareholder's advisors. Each Party's obligations in this Article 8 shall be in addition to and not in derogation of any other obligation of confidentiality owed to the Corporation by the Founders, Principals or other Shareholders who are employees of or consultants to the Corporation.

8.2 Specific Performance

Each of the Parties acknowledges that disclosure of any Information in contravention of Section 8.1 may cause significant harm to the Corporation and that remedies at law may be inadequate to protect against a breach of Section 8.1. Accordingly, each of the Parties acknowledges that the Corporation is entitled, in addition to any other relief available to it, to the granting of injunctive relief without proof of actual damages or the requirement to establish the inadequacy of any of the other remedies available to it. Each of the Parties covenants not to assert any defence in proceedings regarding the granting of an injunction or specific performance based on the availability to the Corporation of any other remedy.

8.3 Exception

The foregoing provisions of this Article 8 are subject to:

(a) the right of each of CHVP, iNovia, VentureLink, Roadmap and IDT to disclose Information to their respective general partners, limited partners, managers, or any of the directors, officers, employees or advisors of any such parties, provided that such persons agree that the Information so received by them is confidential;

(b) the right of each of CHVP, iNovia, VentureLink, Roadmap and IDT to publish, report or otherwise announce for marketing purposes, fundraising purposes or reporting purposes, including, without limitation, on their respective web sites, in promotional materials and offering documents, the existence and the value of their respective interests in the Corporation, the general nature of the business of the Corporation and its subsidiaries and its size based on various criteria such as sales or the number of employees; and

(c) the right of OCGC to make reasonable disclosure of its investment in the Corporation, consistent with Government of Ontario practice related to grants, loans and investments made by the Government of Ontario in private sector entities, and each Shareholder and the Corporation acknowledges and agrees that OCGC is subject to the Freedom of Information and Protection of Privacy Act (Ontario) and as such may be required to disclose this Agreement and any term contained herein in accordance with that Act.

8.4 OCGC Right to Conduct Activities

The Corporation and each of the other Shareholders hereby acknowledge that OCGC may invest in a Competitor. OCGC shall not be liable to the Corporation or any other Shareholder for any claim arising out of, or based on, the investment by OCGC in any Competitor, provided that OCGC will in all such circumstances maintain the confidentiality of all Information provided to OCGC and its representatives in accordance with Sections 8.1, 8.2 and 8.3(c).

ARTICLE 9
POWER OF ATTORNEY

Should any Shareholder (other than an Investor), Founder, Principal or Shareholder who acquires Shares pursuant to the Stock Plan (each such Person hereinafter referred to as an "Employee Party"), in the opinion of the Board, fail to comply or fail to take any action to comply with the provisions of Sections 2.5, 2.8, 2.10, 6.7, 6.8 or 6.9 of this Agreement or Section 5.14 of the Class B 2012 Subscription Agreement or Section 5.14 of the Class B 2013 Subscription Agreement or Section 5.14 of the Class B 2014 Subscription Agreement or Section 5.14 of the Roadmap 2014 Subscription Agreements, then the Secretary of the Corporation shall be deemed to be irrevocably appointed as the true and lawful attorney of such Employee Party with authority to do all things and execute and deliver, on behalf of and in the name of the Employee Party, such deeds, transfers, share certificates, resignations, proxies, resolutions, consents, voting instructions or other documents as may be necessary or desirable to comply with the terms and provisions of Sections 2.5, 2.8, 2.10, 6.7, 6.8 or 6.9 of this Agreement or Section 5.14 of the Class B 2012 Subscription Agreement or Section 5.14 of the Class B 2013 Subscription Agreement or Section 5.14 of the Class B 2014 Subscription Agreement or Section 5.14 of the Roadmap 2014 Subscription Agreements, as applicable, and such Employee Party shall have no claim or cause of action against the Corporation, the Board or the Secretary of the Corporation, or against any third party, as a result of the Secretary of the Corporation so acting as its attorney. Such appointment and power of attorney, being coupled with an interest, shall not be revoked by the insolvency or bankruptcy of the Employee Party, and the Employee Party hereby ratifies and confirms and agrees to ratify and confirm all that the Secretary of the Corporation may lawfully do or cause to be done by virtue of such appointment and power.

ARTICLE 10
GENERAL

10.1 Application of this Agreement

The terms of this Agreement shall apply mutatis mutandis to any Securities that may hereafter be issued by the Corporation and to any shares or other securities:

(a) resulting from the conversion, reclassification, re-designation, subdivision. consolidation or other change to the Securities;

(b) received as a dividend or distribution on or in respect of any such Securities; or

(c) of the Corporation or any successor body corporate that may be received by the Shareholders on a merger, amalgamation, arrangement or other reorganization of or including the Corporation;

and prior to any action referred to in (a) or (b) above being taken the Parties shall give due consideration to any changes that may be required to this Agreement in order to give effect to the intent of this Section 10.1.

10.2 Aggregation of Securities

All of the Securities of each class held or acquired by each Investor and/or any Permitted Transferee of such Investor pursuant to Sections 6.4(a) and 6.4(c) of this Agreement, shall be aggregated together for the purposes of determining the availability of any rights of such Investor under this Agreement.

10.3 Undertaking

The Parties undertake to sign and complete all such deeds, documents, resolutions, minutes and other instruments and to do all such acts as are necessary to give full effect to the terms, conditions and restrictions contemplated by this Agreement and to make them binding on the Parties as well as on third parties who are not privy to the terms hereof.

10.4 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement (in this Section referred to as a “Notice”) must be in writing and is sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by fax:

(a) in the case of a Notice to the Corporation at:

Peraso Technologies Inc.
144 Front Street West, Suite 685
Toronto, ON M5J 2L7
Attention: President
Fax: 647-977-9098
with a copy to:

LaBarge Weinstein LLP
515 Legget Drive, Suite 800
Kanata, ON K2K 3G4
Attention: Michael Dunleavy
Fax: 613-599-0018

(b) in the case of a Notice to any Investor, at the address for notice contained in Schedule "A" to the (i) Class B 2014 Subscription Agreement, (ii) Roadmap 2014 Subscription Agreements, or (iii) Class C Subscription Agreement, as applicable;

(c) in the case of a Notice to any Family Trust, at the address in the records of the Corporation with respect to such Family Trust;

(d) in the case of a Notice to any Founder or Principal, at the address in the records of the Corporation with respect to such Founder or Principal; and

(e) in the case of a Notice to any other Shareholder, at the address in the records of the Corporation with respect to such Shareholder.

Any Notice made or given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if made or given by courier, on the second (2nd) Business Day following the deposit thereof with the courier and, if made or given by fax, on the day of transmittal thereof or if the day of transmittal is not a Business Day, the next Business Day following the date of transmittal thereof (provided the original copy is immediately forwarded by courier).

10.5 Amendment

(a) Subject to Sections 2.8, 6.7, 6.8, 6.9 and 10.5(b) hereof, no amendment, supplement or modification of this Agreement and, unless otherwise specified, no waiver, consent or approval by any Party, is binding unless approved by the Board and approved in writing by a Preferred Majority. Notwithstanding the foregoing, no amendment to: (i) the definitions of Competitor, Family Trusts, Independent and Principal in Section 1.1 of this Agreement, or (ii) Sections 1.1(qq)(ii), 2.10, 4.1(a), 4.1(b), 4.1(f), 4.2, 4.6, 5.1, 5.2, 9, 10.9 or this Section 10.5(a), is binding unless approved by the Board and approved in writing by a Preferred Majority together with the holders of at least 30% of the then outstanding Common Shares. Any amendment, supplement, modification, waiver, consent or approval so approved in accordance with this Section 10.5 shall be binding upon each of the Parties, provided that, the Parties hereby agree to such amendments to Schedule "A" and Schedule "A-1" from time to time as may be necessary to reflect permitted changes in the Shareholders.

(b) The following provisions (the "OCGC Provisions") of this Agreement shall not be amended without the prior written consent of OCGC:

(i) Section 1.1(nn) – "Investor" definition, unless Section 1.1(nn) is required to be amended pursuant to a transaction which is an equity or convertible debt financing of at least $3,000,000 and which is approved in accordance with Section 6.9 hereof;

(ii) Section 1.1(rr) – the removal of OCGC from the definition of “Major Shareholder”;

(iii) Section 1.1(uu) – “Ontario Company” definition;

(iv) Section 1.1(ccc) – “Preferred Majority” definition, unless Section 1.1(ccc) is required to be amended pursuant to a transaction which is an equity or convertible debt financing of at least $3,000,000 and which is approved in accordance with Section 6.9 hereof;

(v) Section 1.1(vvv) – “Securities” definition, unless Section 1.1(vvv) is required to be amended pursuant to a transaction which is an equity or convertible debt financing of at least $3,000,000 and which is approved in accordance with Section 6.9 hereof;

(vi) Section 2.5 – Conflict with Articles, Bylaws or Other Agreements;

(vii) Section 2.6 – Deeming Provision for Preferred Share Approvals;

(viii) Section 4.4(a) – OCGC Observer;

(ix) Sections 5.1(f), (g), (h) and (i) – Additional Reporting;

(x) Section 5.3(d) – Compliance with Laws;

(xi) Section 5.3(l) – Right to Access Information;

(xii) Section 5.3(m) – Ethical Investment;

(xiii) Section 5.3(n) – Ontario Company;

(xiv) Section 5.3(o) – No Collateral Benefits;

(xv) Section 5.3(p) – Articles;

(xvi) Section 5.3(q) – Payment of Dividends;

(xvii) Section 6.4(c) – Permitted Transfers;

(xviii) Section 6.7(c) – Drag-Along;

(xix) Section 6.12 – Investors Co-Sale Rights;

(xx) Section 8.3(c) – OCGC Permitted Disclosure;

(xxi) Section 8.4 – OCGC Right to Conduct Activities;

(xxii) Section 10.1 – Application of this Agreement;

(xxiii) Section 10.5(b) – Amendment;

(xxiv) Section 10.9 – Termination;

(xxv) Section 10.12 – Representations and Warranties and Indemnities by OCGC; and

(xxvi) Section 10.13 – Paramountcy.

Notwithstanding the foregoing, this Section 10.5(b) shall terminate and cease to be of any further force and effect in the event that OCGC ceases to hold Securities.

(c) The following provisions of this Agreement shall not be amended or waived without the prior written consent of Qorvo:

(i) Section 1.1(mm) – the removal of Qorvo from the definition of "Institutional Investor";

(ii) Section 1.1(rr) – the removal of Qorvo from the definition of "Major Shareholder";

(iii) Section 1.1(xx) – the removal of any Class C Preferred Shares issued or issuable pursuant to the Qorvo 2018 Subscription Agreement from the definition of "Permitted Additional Securities";

(iv) Section 1.1(iii) – "Qorvo Competitor" definition;

(v) Section 4.4(d) – Qorvo Observer;

(vi) The last sentence of Section 6.3(b) – no issuance to a Qorvo Competitor;

(vii) Any other provisions of Article 6 – Dealing with Securities insofar as it affects Qorvo disproportionately;

(viii) Section 10.5(c) – Amendment; and

(ix) Section 10.9 – Termination (for so long as Section 6.13 remains in effect).

Notwithstanding the foregoing, this Section 10.5(c) shall terminate and cease to be of any further force and effect in the event that Qorvo ceases to hold Securities.

(d) The following provisions of this Agreement shall not be amended or waived without the prior written consent of Ubiquiti:

(i) Section 1.1(mm) – the removal of Ubiquiti from the definition of "Institutional Investor";

(ii) Section 1.1(rr) – the removal of Ubiquiti from the definition of "Major Shareholder";

(iii) Section 1.1(xx) – the removal of any Class C Preferred Shares issued or issuable pursuant to the Ubiquiti 2018 Subscription Agreement from the definition of "Permitted Additional Securities";

(iv) Section 1.1(iiii) – "Ubiquiti Competitor" definition;

(v) Section 4.4(e) – Ubiquiti Observer;

(vi) The last sentence of Section 6.3(b) – no issuance to an Ubiquiti Competitor;

(vii) Section 6.16 – Covenant in Favour of Ubiquiti;

(viii) Any other provisions of Article 6 – Dealing with Securities insofar as it affects Ubiquiti disproportionately;

(ix) Section 10.5(c) – Amendment; and

(x) Section 10.9 – Termination (for so long as Section 6.13 remains in effect).

Notwithstanding the foregoing, this Section 10.5(d) shall terminate and cease to be of any further force and effect in the event that Ubiquiti ceases to hold Securities.

10.6 Execution and Delivery

This Agreement may be executed by the Parties in counterparts and may be executed and delivered by fax or other electronic means, and all such counterparts and facsimiles together constitute one agreement.

10.7 Benefit of the Agreement

This Agreement enures to the benefit of and is binding upon the respective heirs, executors, administrators, successors and permitted assigns of the Parties.

10.8 Assignment

Each Investor shall be entitled, on prior written notice to the Corporation, to assign all of its rights, benefits, remedies and obligations under this Agreement to any Permitted Transferee in accordance with Section 6.4 of this Agreement. Subject to the immediately preceding sentence, and except as expressly provided in this Agreement, none of the Parties to this Agreement may assign its rights, benefits, remedies and obligations under this Agreement without the prior written consent of the Corporation and a Preferred Majority.

10.9 Termination

This Agreement terminates upon the first to occur of:

(a) the date this Agreement is terminated by the written approval of: (i) the Board; (ii) the holders of a Preferred Majority (which must include (A) OCGC so long as OCGC holds Securities and (B) for so long as Section 6.13 remains in effect, Qorvo, for so long as it holds Securities, and Ubiquiti, for so long as it holds Securities); and (iii) the holders of at least thirty percent (30%) of the then outstanding Common Shares;

(b) the date that is immediately prior to a Qualifying Public Offering;

(c) the date of a Liquidation Event (as such term is defined in the Articles) in which the maximum amount payable to the Investors pursuant to Sections 3(a) and 3(b) of the Articles is paid in full with respect to each Preferred Share then held by the Investors, and after which point, the holders of the Preferred Shares would not be entitled to receive any further distributions on account of such Liquidation Event or any other Liquidation Event), assuming for such purpose that the Warrants have been fully exercised (a "Qualifying Liquidation Event"); and

(d) unless otherwise agreed in writing by the Accepting Shareholders, the date of the consummation of a Sale Transaction.

except that the provisions of Sections 6.10, 6.16, 8.1, 8.2 and 8.3 continue upon a termination of this Agreement.

10.10 Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes, replaces, amends and restates in its entirety all previous agreements, term sheets and understandings, including the Seventh Amended Shareholders Agreement, with effect as of the date hereof.

10.11 Remedies

Each Party acknowledges that a violation of any provision of this Agreement will result in immediate and irreparable harm to the other Parties which cannot be compensated adequately by recovery of damages alone and agrees that, in the event of any such violation or threatened violation, the other parties shall, in addition to any other rights or remedies available at law, in equity or otherwise, be entitled to temporary and permanent injunctive relief, specific performance and other equitable remedies.

10.12 Representations and Warranties and Indemnities by OCGC

Notwithstanding any other provision of this Agreement, OCGC shall not, and shall not be required to, make any representations and warranties or to provide any indemnity in respect of any transaction arising from or in connection with matters under this Agreement (including, without limitation, any transactions contemplated by Article 6 of this Agreement), except to the extent such representations and warranties relate solely to OCGC and the ownership of any securities of the Corporation by OCGC and such indemnity relates to any breach of a representation and warranty made by OCGC and is limited to the net proceeds received by OCGC in connection with such transactions.

10.13 Paramountcy

Nothing in this Agreement or any other document entered into by the Corporation shall derogate from any of the OCGC Provisions in this Agreement. In the event of any conflict or inconsistency between the OCGC Provisions and any other term of this Agreement or any other agreement or document, the OCGC Provisions shall prevail to the extent of such conflict or inconsistency.

10.14 Independent Legal Advice

Each of the Parties acknowledge that they have been afforded the opportunity of receiving independent legal advice concerning this Agreement, and in the event that any Party has executed this Agreement without the benefit of independent legal advice, such Party hereby waives the right to receive such independent legal advice.

[The remainder of this page is intentionally left blank.]

IN WITNESS OF WHICH the Parties have duly executed this Agreement.

PERASO TECHNOLOGIES INC.

By: DocuSigned by: William Alexander McLean B3C15362511E4BF...

Name: William Alexander McLean

Title: CEO

INOVIA INVESTMENT FUND II, LIMITED PARTNERSHIP, INOVIA INVESTMENT FUND II-A, LIMITED PARTNERSHIP AND INOVIA INVESTMENT FUND II-B, LIMITED PARTNERSHIP, INOVIA PERASO SPV (INTERNATIONAL), LIMITED PARTNERSHIP, INOVIA PERASO SPV LIMITED PARTNERSHIP, each represented by its general partner, iNovia Management II, Limited Partnership, itself acting through its general partner, iNovia Capital Inc.

By: ________________________________

Name: Shawn Abbott

Title: Vice President

By: ________________________________

Name: François Gauvin

Title: VICE-PRESIDENT

VENTURELINK INNOVATION FUND INC., by its
Manager and Investment Advisor, VL Advisors Inc.

By: ______________________________
Name:
Title:

[Counterpart Signature Page to Eighth Amended and Restated Unanimous Shareholders Agreement]

CELTIC HOUSE GENERAL PARTNER (FUND III) INC. in its capacity as general partner of CELTIC HOUSE VENTURE PARTNERS FUND III L.P.

By: ______________________________
Name: David Adderley
Title: Partner

CELTIC HOUSE GENERAL PARTNER (FUND III) (U.S.) INC. in its capacity as general partner of CELTIC HOUSE VENTURE PARTNERS FUND III (U.S.) L.P.

By: ______________________________
Name: David Adderley
Title: Partner

CELTIC-GCI SPV I GP INC. in its capacity as general partner of CELTIC GCI SPV LP I

By: ______________________________
Name: David Adderley
Title: Partner

CELTIC-GCI SPV II LP. in its capacity as general partner of CELTIC HOUSE SPV II LP

By: ______________________________
Name: David Adderley
Title: Partner

POLAR MULTI-STRATEGY MASTER FUND by its investment advisor, Polar Asset Management Partners Inc.

By: ______________________
Name: GREG LEMAICH / RYAN HICKEY
Title: GENERAL COUNSEL / SENIOR LEGAL COUNSEL

QORVO INTERNATIONAL PTE. LTD.

By: ______________________________

Name: MARK MURPHY

Title: DIRECTOR

UBIQUITI NETWORKS CANADA INC.

By: ______________________________

Name: Dennis Lau

Title: VP and Treasurer

ONTARIO CAPITAL GROWTH CORPORATION

By: ______________________________

Name: STEVE ROMANYSHYN

Title: PRESIDENT & CEO

By: ______________________________

Name:

Title:

ROADMAP CAPITAL GENERAL PARTNER LTD., as general partner of ROADMAP INNOVATION FUND I, ROADMAP PERASO LP, ROADMAP PERASO LP (U.S. AND OFFSHORE), ROADMAP PERASO LP II ROADMAP PERASO LP II (U.S. AND OFFSHORE), and ROADMAP INNOVATION FUND II, by its manager, ROADMAP CAPITAL MANAGEMENT LIMITED.

By: ______________________

Name: Hugh Cleland

Title: CEO, Roadmap Capital Inc.

INTEGRATED DEVICE TECHNOLOGY MALAYSIA SDN BHD

By: ______________________

Name: MATTHEW BRANDALISE

Title: Director

[Counterpart Signature Page to Eighth Amended and Restated Unanimous Shareholders Agreement]

RESOLVE LIMITED

By: ______________________

Name: Rocco A Schiralli

Title: President & Sole Shareholder

ROBBIN ESTATES LLC.

By: ______________________

Name: Amy Louise Slee

Title: On behalf of Eight Corporation Limited as Manager

SIGNED, SEALED AND DELIVERED in the presence of: ____________________ Witness:	))))))	 ____________________ Andreea Balteanu
SIGNED, SEALED AND DELIVERED in the presence of: ____________________ Witness:	))))))	 ____________________ Dorina Abramovici
SIGNED, SEALED AND DELIVERED in the presence of: ____________________ Witness:	))))))	 ____________________ Jeffrey Andonieh
SIGNED, SEALED AND DELIVERED in the presence of: ____________________ Witness:	))))))	 ____________________ Lawrence Baruch
SIGNED, SEALED AND DELIVERED in the presence of: ____________________ Witness:	))))))	 ____________________ Son Cam
SIGNED, SEALED AND DELIVERED in the presence of: ____________________ Witness:	))))))	 ____________________ Silvia Denise Flores Lopez

SIGNED, SEALED AND DELIVERED in the presence of:	))))	
Witness:	))	Padmini Nujetti
SIGNED, SEALED AND DELIVERED in the presence of:	))))	
Witness:	))	Ardit Pajo
SIGNED, SEALED AND DELIVERED in the presence of:	))))	
Witness:	))	Keith Riley
SIGNED, SEALED AND DELIVERED in the presence of:	))))	
Witness:	))	Ekaterina Laskin
SIGNED, SEALED AND DELIVERED in the presence of:	))))	
Witness:	))	David Seale
SIGNED, SEALED AND DELIVERED in the presence of:	))))	
Witness:	))	Yigal Eliaspur

SIGNED, SEALED AND DELIVERED in the presence of:

____
Witness:

____
Nima Gilanpour

SIGNED, SEALED AND DELIVERED in the presence of:

____
Witness:

____
Jianning Huang

SIGNED, SEALED AND DELIVERED in the presence of:

____
Witness:

____
Tejas Kotadia

SIGNED, SEALED AND DELIVERED in the presence of:

____
Witness:

____
Yatki Derek Kwan

SIGNED, SEALED AND DELIVERED in the presence of:

____
Witness:

____
Xerxes Wania

SIGNED, SEALED AND DELIVERED in the presence of:

____
Witness:

____
Bradley Lynch

SIGNED, SEALED AND DELIVERED in the presence of:

Witness:

Loannis Sarka

SIGNED, SEALED AND DELIVERED in the presence of:

Witness:

Alexander Tomkins

SIGNED, SEALED AND DELIVERED in the presence of:

Witness:

Florin Pera

SIGNED, SEALED AND DELIVERED in the presence of:

Witness:

Antonio Merza

SIGNED, SEALED AND DELIVERED in the presence of:

Witness:

Vincent Law

SIGNED, SEALED AND DELIVERED in the presence of:

Witness:

Mao Ye

SIGNED, SEALED AND DELIVERED in the presence of:	)	
Witness:	)	Jennifer Pham
SIGNED, SEALED AND DELIVERED in the presence of:	)	
Witness:	)	Saman Jafarlou
SIGNED, SEALED AND DELIVERED in the presence of:	)	
Witness:	)	Lianne Madill
SIGNED, SEALED AND DELIVERED in the presence of:	)	
Witness:	)	Shahed Safavi-Bayat
SIGNED, SEALED AND DELIVERED in the presence of:	)	
Witness:	)	Cindy Cortese
SIGNED, SEALED AND DELIVERED in the presence of:	)	
Witness:	)	Sydney Milgrom

SIGNED, SEALED AND DELIVERED in the presence of:	))))	
Witness:	))	Arash Tabibiazar
SIGNED, SEALED AND DELIVERED in the presence of:	))))	
Witness:	))	Joe Andonieh
SIGNED, SEALED AND DELIVERED in the presence of:	))))	
Witness:	))	Hany Abdelghafar

[Counterpart Signature Page to Eighth Amended and Restated Unanimous Shareholders Agreement]

SIGNED, SEALED AND DELIVERED in the presence of:

Witness:

Gordon Glenn

GORDON S. GLENN LIVING TRUST, by its trustee, Gordon Glenn

Per: ______________________________

[Counterpart Signature Page to Eighth Amended and Restated Unanimous Shareholders Agreement]

SIGNED, SEALED AND DELIVERED in the presence of:

Witness:	)	Sorin Voinigescu

THE VOINIGESCU FAMILY TRUST, by its trustee, Sorin Voinigescu

Per: ______________________

SIGNED, SEALED AND DELIVERED in the presence of:

____
Witness:

____
Ronald Glibbery

THE GLIBBERY FAMILY TRUST, by its trustee, Ronald Glibbery

Per: ______________________________

SCHEDULE "A"

LIST OF INVESTORS AND INVESTOR SECURITIES

Investor	**Number and Class of Securities**
Lawrence Baruch	7,557 Class B Series 1 Convertible Preferred Shares
Robbin Estates LLC	37,368 Class B Series 1 Convertible Preferred Shares
Polar Multi-Strategy Master Fund	4,181,879 Class C Series 1 Convertible Preferred Shares
Qorvo International Pte. Ltd.	12,203,911 Class C Series 1 Convertible Preferred Shares
Ubiquiti Networks Canada Inc.	4,583,164 Class C Series 1 Convertible Preferred Shares
Resolve Limited	339,962 Class B Series 1 Convertible Preferred Shares
Gordon S. Glenn Living Trust of October 7, 2009	15,113 Class B Series 1 Convertible Preferred Shares
Celtic House SPV II Limited Partnership	101,419 Class C Series 1 Convertible Preferred Shares
CELTIC-GCI SPV LP 1	2,683,480 Class C Series 1 Convertible Preferred Shares
Celtic-GCI SPV I GP Inc.	Warrant to purchase 47,098 Common Shares Warrant to purchase 16,227 Common Shares Warrant to purchase 52,738 Common Shares Warrant to purchase 44,944 Common Shares
Celtic House Venture Partners Fund III L.P.	498,538 Class A Convertible Preferred Shares 5,242,333 Class B Series 1 Convertible Preferred Shares
Celtic House Venture Partners Fund III (U.S.) L.P.	418,129 Class A Convertible Preferred Shares 4,396,797 Class B Convertible Preferred Shares
VentureLink Innovation Fund Inc.	916,667 Class A Convertible Preferred Shares 6,489,130 Class B Series 1 Convertible Preferred Shares
iNovia Investment Fund II, Limited Partnership	657,387 Class A Convertible Preferred Shares 4,293,317 Class B Series 1 Convertible Preferred Shares 363,215 Class C Series 1 Convertible Preferred Shares
iNovia Investment Fund II-A, Limited Partnership	87,788 Class A Convertible Preferred Shares 575,352 Class B Series 1 Convertible Preferred Shares 49, 016 Class C Series 1 Convertible Preferred Shares

Investor	Number and Class of Securities
iNovia Investment Fund II-B, Limited Partnership	171,492 Class A Convertible Preferred Shares 1,120,461 Class B Series 1 Convertible Preferred Shares 94,869 Class C Series 1 Convertible Preferred Shares
iNovia Peraso SPV (International), Limited Partnership	676,133 Class C Series 1 Convertible Preferred Shares
iNovia Peraso SPV, Limited Partnership	1,014,199 Class C Series 1 Convertible Preferred Shares
Ontario Capital Growth Corporation	9,639,130 Class B Series 1 Convertible Preferred Shares
Roadmap Peraso LP	9,469,000 Class B Series 1 Convertible Preferred Shares
Roadmap Peraso LP II	11,931,707 Class C Series 1 Convertible Preferred Shares
Roadmap Innovation Fund I: BMO Nesbitt Burns ITF Account 402 21192 28	1,400,000 Class B Series 1 Convertible Preferred Shares
Roadmap Innovation Fund II: BMO Nesbitt Burns ITF Account 402 21460 23	400,000 Class B Series 1 Convertible Preferred Shares
Roadmap Peraso LP (U.S. and Offshore)	531,000 Class B Series 1 Convertible Preferred Shares
Roadmap Peraso LP II (U.S. and Offshore)	3,613,474 Class C Series 1 Convertible Preferred Shares
Roadmap Capital Inc.	Warrant to purchase 594,000 Common Shares Warrant to purchase 417,850 Common Shares Warrant to purchase 316,402 Common Shares Warrant to purchase 20,283 Common Shares
Integrated Device Technology Malaysia Sdn Bhd	4,532,314 Class C Series 1 Convertible Preferred Shares

SCHEDULE “A-1”

LIST OF COMMON SHAREHOLDERS AND COMMON SHARES

Shareholder	**Number and Class of Shares**
The Voinigescu Family Trust	802,051 Common Shares
The Glibbery Family Trust	1,508,573 Common Shares
Hany Abdelghafar	10,000 Common Shares
Dorina Abramovici	11,250 Common Shares
Jeffrey Andonieh	10,000 Common Shares
Silvia Denise Flores Lopez	5,000 Common Shares
Padmini Nujetti	5,000 Common Shares
Ardit Pajo	3,125 Common Shares
Keith Riley	245,750 Common Shares
Ioannis Sarkas	20,173 Common Shares
David Seale	19,688 Common Shares
Yigal Eliaspur	33,749 Common Shares
Nima Gilanpour	11,250 Common Shares
Jianning Huang	9,063 Common Shares
Tejas Kotadia	5,000 Common Shares
Yatki Derek Kwan	20,625 Common Shares
Xerxes Wania	2,000 Common Shares
Alexander Tomkins	201,729 Common Shares
Bradley Lynch	325,519 Common Shares

Shareholder	Number and Class of Shares
Andreea Balteanu	25,216 Common Shares
Ekaterina Laskin	25,216 Common Shares
Florin Pera	37,500 Common Shares
Antonio Merza	1,000 Common Shares
Vincent Law	10,313 Common Shares
Mao Ye	5,625 Common Shares
Jennifer Pham	9,375 Common Shares
Saman Jafarlou	2,500 Common Shares
Lianne Madill	750 Common Shares
Shahed Safavi-Bayat	3,750 Common Shares
Cindy Cortese	4,375 Common Shares
Sydney Milgrom	1,000 Common Shares
Arash Tabibiazar	500 Common Shares
Joe Andonieh	15,000 Common Shares
Son Cam	20,000 Common Shares

SCHEDULE "B"

FORM OF ACKNOWLEDGEMENT

To: The parties to the Eighth Amended and Restated Unanimous Shareholders Agreement dated December 21, 2018 between Peraso Technologies Inc. (the "Corporation"), all of its shareholders, certain other holders of securities of the Corporation and certain other parties, as the same may be amended from time to time (the "Agreement").

The undersigned, _________________, having purchased certain securities of the Corporation [previously held by], in consideration of the approval by the Board and/or the shareholders of the Corporation of the transfer [or issuance] of such securities to the undersigned and other good and valuable consideration (receipt of which is hereby acknowledged) hereby agrees to be a party to and bound by all of the provisions of the Agreement as if the undersigned were an original party thereto, and, if such securities were Founder Shares transferred to the undersigned by a Family Trust Controlled by a Founder or a Principal, the undersigned hereby further agrees that the undersigned and the Founder Shares so transferred shall be subject to the same restrictions and obligations that are applicable to the Family Trust and the Founder Shares, respectively, under the Agreement. Capitalized terms not otherwise defined herein shall have the respective meanings set forth in the Agreement.

DATED at ________, this _______ day of ______________, 20__.

SIGNED, SEALED AND DELIVERED in the presence of:	)))	
______________________________	)	______________________________
	))	

OR

Per: ______________________________
c/

Title:

SCHEDULE "C"
COMPLIANCE CERTIFICATE

[_____________________________]

(the "Investor")

Date: [__________________]

Reference is made to that Eighth Amended and Restated Unanimous Shareholders Agreement dated December 21, 2018 between Peraso Technologies Inc. (the "Corporation"), all of its shareholders, certain other holders of securities of the Corporation and certain other parties, as the same may be amended from time to time (the "Agreement").

I, [   ], [Chief Financial Officer] of the Corporation, hereby certify for and on behalf of the Corporation without personal liability, intending that the same may be relied upon by you without further enquiry, that, [since the date of the last compliance certificate provided to you] [since]:

1. the financial statements delivered pursuant to the Agreement have been prepared in accordance with general accepted accounting principles in effect on the date of such financial statements and the information contained therein is true and correct in all material respects, subject only to year-end audit adjustments, and present fairly and consistently the results of operations and changes in the financial position of the Corporation as of and to the date of such financial statements;

2. except as disclosed in writing to the Investor, the Corporation has not committed a breach of any of its representations, warranties, covenants and obligations as set out in the Agreement;

3. except as disclosed in writing to the Board, the Corporation is in compliance with all tax and other source deductions and other withholding obligations and has accrued unpaid vacation pay in its financial statements;

4. the Corporation has (i) made or set aside all required payments of salaries, wages, vacation pay, deductions for taxes or other obligations required to be deducted and has paid the same to the proper tax or other receiving officers; (ii) remitted to the appropriate tax authority, on a timely basis, all amounts collected on account of goods and services taxes and provincial sales taxes; and (iii) remitted to the appropriate receiving officer, on a timely basis, all amounts required to be paid by it in connection with workers compensation legislation; and

5. the Corporation is not aware of any breach or potential breach caused by the Corporation of any applicable laws, regulations, permits, licences, approvals, policies, guidelines or orders of any governmental or municipal authority relating to environmental, health or safety matters (including without limitation the release of hazardous substances) (collectively, the "Environmental Laws") and to the best of its knowledge is in compliance with all applicable Environmental Laws.

All capitalized terms not defined herein have the meanings given to them in the Agreement.

____
[ ]
Chief Financial Officer of
Peraso Technologies Inc.

SCHEDULE "D"
ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT is entered into as of [DATE] (this "Agreement") by and between Peraso Technologies Inc. ("Transferor"), [TRANSFEREE] ("Transferee"), Ubiquiti Networks, Inc. ("Ubiquiti USA") and Ubiquiti Cayman Limited ("Ubiquiti Cayman").

RECITALS:

A. Transferor has entered into (i) certain License and Development Agreement, dated as of December 21, 2018 by and between Transferor and Ubiquiti Networks, Inc. and (ii) certain Master Purchase and Supply Agreement, dated as of December [19], 2018 by and between Transferor and Ubiquiti Cayman Limited (collectively, as amended, restated, supplemented or otherwise modified from time to time, the "Transferred Contracts").

B. In connection with the assignment of the Transferred Contracts, Transferee desires to assume any and all obligations of Transferor under the Transferred Contracts (the "Assumed Obligations").

C. The parties hereto desire to execute and deliver this Agreement for the purpose of effecting (i) the transfer, assignment and conveyance to Transferee of Transferor's right, title and interest in and to the Transferred Contracts and (ii) the assumption by Transferee of the Assumed Obligations.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Transfer of the Transferred Contracts. Transferor hereby transfers, assigns and conveys to Transferee, to have and to hold forever, Transferor's right, title and interest in and to the Transferred Contracts. Transferee does hereby accept such assignment, conveyance and transfer of the Transferred Contracts.

2. Assumption of Assumed Obligations. Transferee hereby assumes, agrees to perform, and in due course pay and discharge the Assumed Obligations, and Transferor and its successors and assigns shall have no further obligations or liabilities with respect to the Transferred Contracts.

3. Ubiquiti. Ubiquiti USA and Ubiquiti Cayman hereby agree to the assignment by the Transferor of its right, title and interest in and to the Transferred Contracts and the assumption by the Transferee of the Assumed Obligations.

4. Further Conveyances and Assumptions. Each party agrees that it shall do, execute, acknowledge and deliver all acts, agreements, instruments, notices and assurances as may be reasonably requested by the other party to further effect and evidence the transactions contemplated hereby.

5. Amendment. No waiver and no modification or amendment of any provision of this Agreement shall be effective unless specifically made in writing and duly signed by the party to be bound thereby.

6. No Third-Party Beneficiary. This Agreement is being entered into solely for the benefit of the parties hereto, and the parties do not intend that any person shall be a third-party beneficiary of the covenants by Transferor or Transferee contained in this Agreement.

7. **Governing Law. THE VALIDITY, INTERPRETATION AND EFFECT OF THIS AGREEMENT SHALL BE GOVERNED EXCLUSIVELY BY THE LAWS OF THE STATE OF NEW YORK, EXCLUDING THE "CONFLICT OF LAWS" RULES THEREOF.**

8. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument. The electronic or facsimile transmission of an executed counterpart, by one party to the other, shall constitute valid execution and acceptance of this Agreement by the signing/transmitting party.

9. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

10. Savings Clause. If any provision hereof shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, such holding or action shall be strictly construed and shall not affect the validity or effect of any other provision hereof.

[signature page follows]

IN WITNESS WHEREOF, the undersigned have caused this Assignment and Assumption Agreement to be duly executed as of the date first written above.

TRANSFEROR: Peraso Technologies Inc.

By:______________________________________
Name: ____________________________________
Title: ____________________________________

TRANSFEREE: [ ]

By:______________________________________
Name: ____________________________________
Title: ____________________________________

UBIQUITI: Ubiquiti Networks, Inc.

By:______________________________________
Name: ____________________________________
Title: ____________________________________

Ubiquiti Cayman Limited

By:______________________________________
Name: ____________________________________
Title: ____________________________________

EXHIBIT "B"

EXHIBIT "B"

referred to in the Affidavit of

RONALD GLIBBERY

Sworn June 2, 2020

DocuSigned by:

2C12EEAB5242430...

Commissioner for Taking Affidavits

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UBIQUITI INC.,

Plaintiff,

-against-

PERASO TECHNOLOGIES INC.,

Defendant.

1:20-CV-1312

COMPLAINT

UBIQUITI INC., for its complaint against defendant PERASO TECHNOLOGIES INC., alleges as follows:

1. This is an action for a declaratory judgment and monetary damages arising from the breach of a license and development agreement.

THE PARTIES

2. Plaintiff Ubiquiti Inc. (hereinafter "Ubiquiti") is a corporation incorporated under the laws of Delaware, having a place of business at 685 Third Ave, 27th Floor, New York, NY 10017.

3. Defendant Peraso Technologies Inc. ("Peraso" or "Defendant") is a corporation incorporated under the laws of the Province of Ontario, having a place of business at 144 Front Street West, Suite 685, Toronto, Ontario, M5J 2L7, Canada.

JURISDICTION AND VENUE

4. The Court has subject matter jurisdiction under 28 U.S.C. § 1332, because there is diversity of citizenship and the amount in controversy exceeds $75,000. There is diversity of citizenship because Ubiquiti is a citizen of Delaware and New York and Peraso is a citizen of Canada.

5. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(3) because Defendant Peraso has agreed to submit to the personal jurisdiction of courts located in New York, New York, to adjudicate or determine any suit, action or proceeding arising out of or in connection with the license agreement that is the subject of this dispute.

6. The Court has the authority to hear causes of action seeking a declaratory judgment pursuant to 28 U.S.C.A. §§ 2201, 2202.

FACTS COMMON TO ALL CAUSES OF ACTION

7. Plaintiff Ubiquiti is a publicly traded company (NYSE: UI) that develops and markets professional networking hardware and software that is used to create networking infrastructure in over 200 countries and territories around the world.

8. Defendant Peraso is a venture funded private semiconductor company specializing in the development of integrated circuits for the 60 GHz wireless marketplace.

9. On December 21, 2018, Ubiquiti and Peraso entered into a License and Development Agreement (the "License Agreement").

10. Simultaneously with the License Agreement, and in consideration for the obligations undertaken by Peraso in the License Agreement, a Ubiquiti subsidiary and Peraso also entered into a Class C Series 1 Convertible Preferred Share Subscription Agreement (the "Subscription Agreement"), whereby the Ubiquiti subsidiary agreed to make certain equity investments in Peraso if and when certain development "milestones" were achieved by Peraso.

11. Pursuant to the License Agreement, Peraso agreed to develop for Ubiquiti certain chipsets.

12. The License Agreement obligated Peraso to complete the development of the chipsets and to "demonstrate to the reasonable satisfaction of" Ubiquiti that each of three defined development "Milestones" had been completed by agreed to completion dates for each Milestone.

13. The first Milestone had been completed at the time that the parties entered into the License Agreement.

14. Peraso was required to give Ubiquiti written notice of when it believed that it had achieved each of the second and third Milestones (respectively, the "Second Tranche Development Milestones" and the "Third Tranche Development Milestones").

15. The License Agreement further provided that "[within 30 days of receipt of each such notice, Ubiquiti would "review and conduct such testing as it reasonably considers necessary in order to determine whether the Acceptance Criteria in respect of the applicable Milestone have been satisfied" and would provide Peraso with "written notice of rejection or acceptance of whether Peraso has demonstrated the satisfaction of the Acceptance Criteria" for the applicable Milestone.

16. On December 11, 2019, counsel acting on behalf of Peraso, gave notice to Ubiquiti that Ubiquiti was allegedly in default of a material obligation under the License Agreement (the "Default Notice"). Specifically, the Default Notice claimed that Peraso had given Ubiquiti written notice of its achievement of the Third Tranche Development Milestones on October 31, 2019, and that Ubiquiti failed to give Peraso written notice of rejection or acceptance of Peraso's alleged achievement of the Third Tranche Development Milestones within 30 days of October 31, 2019.

17. The Default Notice does not identify the document or documents that allegedly constitute the October 31, 2019, notice to Ubiquiti that Peraso had achieved the Third Tranche Development Milestones.

18. Documents delivered to Ubiquiti by Peraso on October 31, 2019, whether considered individually or in the aggregate, were not adequate to demonstrate to the reasonable satisfaction of Ubiquiti that Peraso had achieved the Third Tranche Development Milestones.

19. Between October 31, 2019, and December 11, 2019, the date of the Default Notice, Ubiquiti repeatedly provided Peraso with notice that the materials provided by Peraso on October 31, 2019, did not demonstrate to the reasonable satisfaction of Ubiquiti that Peraso had achieved the Third Tranche Development Milestones.

20. Between October 31, 2019, and December 11, 2019, Peraso repeatedly acknowledged the shortcomings identified by Ubiquiti in the materials provided by Peraso on October 31, 2019, and repeatedly attempted to rectify those shortcomings.

21. By October 31, 2019, a Ubiquiti subsidiary had invested over $5 million in Peraso and in the development of the chipsets which, pursuant to the License Agreement, were to be made available exclusively to Ubiquiti.

22. Upon information and belief, in or about November 2019, Peraso entered into negotiations with a U.S.-based hardware company for the sale of Peraso to that company.

23. Upon information and belief, the exclusivity provisions of the License Agreement have complicated Peraso’s negotiations with the with a U.S.-based hardware company.

24. As of December 11, 2019, Peraso had not provided Ubiquiti with notice sufficient to "demonstrate to the reasonable satisfaction of" Ubiquiti that Peraso had achieved the Third Tranche Development Milestones by or before October 31, 2019, the deadline for such achievement set forth in the License Agreement.

25. As of December 11, 2019, Ubiquiti was not in default of its obligations under the License Agreement.

26. The License Agreement provides that a party receiving a notice of default has 30 days to respond to the noticed default.

27. On December 11, 2019, shortly before Peraso's counsel issued the Notice of Default, Bill McLean, Chief Executive Office of Peraso, advised Ubiquiti that Peraso would issue the Default Notice but the Default Notice did not require a response because the Third Tranche Development Milestones had not been achieved prior to October 31, 2019.

28. On January 16, 2020, Peraso purported to terminate the License Agreement based on Ubiquiti's alleged failure to remedy the alleged material breach set forth in the Notice of Default.

29. Ubiquiti has performed each of its obligations under the License Agreement and is not in breach of any of its obligations under the License Agreement.

30. As a result of the purported termination of the License Agreement by Peraso, Ubiquiti has been deprived of access to the chipsets under the terms of the License Agreement and has been damaged in an amount to be determined at trial and believed to be in excess of $5 million.

FIRST CAUSE OF ACTION FOR DECLARATORY JUDGMENT

31. Plaintiff repeats and realleges paragraphs 1 through 31 of this complaint as if fully set forth herein.

32. Ubiquiti has fulfilled all of its obligations under the License Agreement and, therefore, is not in breach of any contract or agreement with Peraso.

33. Peraso persists in asserting -- incorrectly and wrongly -- that Ubiquiti materially breached the License Agreement and that the License Agreement has been terminated.

34. The dispute between the parties is a justiciable controversy appropriate for declaratory judgment under the Declaratory Judgment Act, 28 U.S.C.A. §§ 2201, 2202.

WHEREFORE, plaintiff Ubiquiti, respectfully requests that this Court:

A. Enter a declaratory judgment holding that Ubiquiti is not in breach of the License Agreement;

B. Enter a declaratory judgment holding that the License Agreement is in full force and effect;

C. Enter a declaratory judgment holding that Peraso is obligated to honor the terms of the License Agreement, including its obligation and to make the chipsets available to Ubiquiti exclusively as required by the License Agreement;

D. Award Ubiquiti compensatory damages for the acts complained of herein in an amount to be determined at trial;

E. Award to Ubiquiti its full costs, disbursements, and reasonable attorneys' fees incurred in this action; and

F. Award to Ubiquiti such additional and further relief as the Court deems just and proper.

Dated: New York, New York
February 14, 2020

/s/ Mario Aieta
Mario Aieta
Alanna B. Newman
DUANE MORRIS LLP
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Attorneys for Plaintiff
Ubiquiti Inc.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UBIQUITI INC., Plaintiff, -against- PERASO TECHNOLOGIES INC., BILL McLEAN, JIM WHITAKER, SHAWN ABBOT, DAVID ADDERLEY, IMED ZINE and RIAD ZINE, Defendants.	1:20-CV-1312 FIRST AMENDED COMPLAINT

UBIQUITI INC., for its first amended complaint against defendants PERASO TECHNOLOGIES INC., BILL McLEAN, JIM WHITAKER, SHAWN ABBOT, DAVID ADDERLEY, IMED ZINE and RIAD ZINE, alleges as follows:

1. This is an action for a declaratory judgment and monetary damages arising from the breach of a license and development agreement and the conversion of exclusive rights under that agreement, and for monetary damages arising from tortious interference with a contract and fraud.

THE PARTIES

2. Plaintiff Ubiquiti Inc. ("Ubiquiti") is a corporation incorporated under the laws of Delaware, having a place of business at 685 Third Ave, 27th Floor, New York, NY 10017.

3. Defendant Peraso Technologies Inc. ("Peraso") is a corporation incorporated under the laws of the Province of Ontario, having a place of business at 144 Front Street West, Suite 685, Toronto, Ontario, M5J 2L7, Canada.

4. Defendant Bill McLean is an individual residing in Toronto, Ontario, Canada. At all times relevant to the allegations in this First Amended Complaint, Mr.

McLean was the President, CEO and Chairman of the Board of Directors of Peraso. Mr. McLean is a preferred shareholder of Peraso.

5. Defendant Jim Whitaker is an individual residing in Toronto, Ontario, Canada. At all times relevant to the allegations in this First Amended Complaint, Mr. Whitaker was a member of the Board of Directors of Peraso. Mr. Whitaker was also the Managing Partner of VL Advisors, Inc., which was the Manager and Investment Advisor of Venturelink Innovation Fund Inc. ("Venturelink"). Venturelink is a preferred shareholder of Peraso.

6. Defendant Shawn Abbott is an individual residing in Toronto, Ontario, Canada. At all times relevant to the allegations in this First Amended Complaint, Mr. Abbott was a member of the Board of Directors of Peraso. Mr. Abbott was also the Vice President of iNovia Capital, Inc., which was the general partner of iNovia Management II Limited Partnership, which was the general partner of iNovia Investment Fund II, Limited Partnership, iNovia Investment Fund II-A, Limited Partnership, iNovia Investment Fund II-B, Limited Partnership, iNovia Peraso SPV, Limited Partnership, and iNovia Peraso SPV (International), Limited Partnership (collectively "iNovia"). iNovia is a preferred shareholder of Peraso.

7. Defendant David Adderley is an individual residing in Toronto, Ontario, Canada. At all times relevant to the allegations in this First Amended Complaint, Mr. Adderley was a member of the Board of Directors of Peraso. Mr. Adderley was also the President of Celtic-GCI SPV I GP Inc., which is the general partner of Celtic GCI SPV LP I, the President of Celtic House General Partner (Fund III) (U.S.) Inc., which is the general partner of Celtic House Venture Partners Fund III (U.S.) L.P., the President of

Celtic House SPV II LP, which is the general partner of Celtic House SPV II LP, and a partner in Celtic House General Partner (Fund III) Inc., which is the general partner of Celtic House Venture Partners Fund III L.P. (collectively "Celtic"). Celtic is a preferred shareholder of Peraso.

8. Defendant Imed Zine is an individual residing in Toronto, Ontario, Canada. At all times relevant to the allegations in this First Amended Complaint, Mr. Imed Zine was a member of the Board of Directors of Peraso. Mr. Imed Zine is a principal of Roadmap Capital, Inc., which is the manager of Roadmap Capital General Partner LTD, which is the general partner of Roadmap Innovation Fund I, Roadmap Peraso LP (US and Offshore), Roadmap Peraso LP II, Roadmap Peraso LP II (US and Offshore), Roman Innovation Fund II, and Roadmap Innovation Fund (US and Offshore) I (collectively "Roadmap"). Roadmap is a preferred shareholder of Peraso.

9. Defendant Riad Zine is an individual residing in Toronto, Ontario, Canada. At all times relevant to the allegations in this First Amended Complaint, Mr. Riad Zine was a member of the Board of Directors of Peraso. Upon information and belief, Mr. Riad Zine is a principal of Roadmap.

JURISDICTION AND VENUE

10. The Court has subject matter jurisdiction under 28 U.S.C. § 1332, because there is diversity of citizenship and the amount in controversy exceeds $75,000. There is diversity of citizenship because Ubiquiti is a citizen of Delaware and New York and each of the defendants is a citizen of Canada.

11. This Court has personal jurisdiction over the Defendant Peraso because, *inter alia,* Peraso has agreed to submit to the personal jurisdiction of courts located in New York, New York. This Court has personal jurisdiction over Defendants McLean,

Whitaker, Abbot, Adderley, Imed Zine and Riad Zine because each individual was a primary actor in the unlawful termination of a license agreement, as alleged below, and committed, or aided, abetted, contributed to, or participated in, tortious acts causing injury to Plaintiff in New York.

12. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(3) because Defendant Peraso has agreed to submit to the personal jurisdiction of courts located in New York, New York, to adjudicate or determine any suit, action or proceeding arising out of or in connection with the license agreement that is the subject of this dispute.

13. The Court has the authority to hear causes of action seeking a declaratory judgment pursuant to 28 U.S.C.A. §§ 2201, 2202.

FACTS COMMON TO ALL CAUSES OF ACTION

14. Plaintiff Ubiquiti is a publicly traded company (NYSE: UI) that develops and markets professional networking hardware and software that is used to create networking infrastructure in over 200 countries and territories around the world.

15. Defendant Peraso is a venture funded private semiconductor company specializing in the development of integrated circuits for the 60 GHz wireless marketplace.

16. Defendants McLean, Whitaker, Abbot, Adderly, Imed Zine and Riad Zine (collectively the "Individual Defendants") were members of the board of directors of Peraso prior to December 2018 and continuing to February 2020.

17. VentureLink, iNovia, Celtic and Roadmap (collectively the "Venture Funds" and together with McLean the "Preferred Share Investors") were venture funds that invested in Peraso prior to December 21, 2018 and continuing to this day.

18. Upon information and belief, Whitaker, Abbot, Adderly, Imed Zine and Riad Zine, as partners, owners, investors and/or employees of one of the Venture Funds, had direct financial interests in their Venture Fund's investment in Peraso.

19. Pursuant to the Charter Documents of Peraso as amended, each of the Preferred Share Investors was entitled to receive preferred dividends, liquidation priorities, and other financial considerations greater than those to which other, common share, investors in Peraso were entitled.

20. On December 21, 2018, Ubiquiti and Peraso entered into a License and Development Agreement (the "License Agreement").

21. Simultaneously with the License Agreement, and in consideration for the obligations undertaken by Peraso in the License Agreement, a Ubiquiti subsidiary and Peraso also entered into a Class C Series 1 Convertible Preferred Share Subscription Agreement (the "Subscription Agreement"), whereby the Ubiquiti subsidiary agreed to make certain equity investments in Peraso if and when certain development "milestones" were achieved by Peraso.

22. The Preferred Share Investors expressly consented to the Subscription Agreement and related documents, including the License Agreement, in a Consent and Waiver executed by McLean, Whitaker, Abbot, Adderly, and Imed Zine.

23. Pursuant to the License Agreement, Peraso agreed to develop for Ubiquiti certain chipsets.

24. The License Agreement obligated Peraso to complete the development of the chipsets and to "demonstrate to the reasonable satisfaction of" Ubiquiti that each of

three defined development "Milestones" had been completed by agreed to completion dates for each Milestone.

25. The first Milestone had been completed at the time that the parties entered into the License Agreement.

26. Peraso was required to give Ubiquiti written notice of when it believed that it had achieved each of the second and third Milestones (respectively, the "Second Tranche Development Milestones" and the "Third Tranche Development Milestones").

27. The License Agreement further provided that "[within 30 days of receipt of each such notice, Ubiquiti would "review and conduct such testing as it reasonably considers necessary in order to determine whether the Acceptance Criteria in respect of the applicable Milestone have been satisfied" and would provide Peraso with "written notice of rejection or acceptance of whether Peraso has demonstrated the satisfaction of the Acceptance Criteria" for the applicable Milestone.

28. Documents delivered to Ubiquiti by Peraso on October 31, 2019, whether considered individually or in the aggregate, were not adequate to demonstrate to the reasonable satisfaction of Ubiquiti that Peraso had achieved the Third Tranche Development Milestones.

29. Between October 31, 2019, and December 11, 2019, Ubiquiti repeatedly provided Peraso with notice that the materials provided by Peraso on October 31, 2019, did not demonstrate to the reasonable satisfaction of Ubiquiti that Peraso had achieved the Third Tranche Development Milestones.

30. Between October 31, 2019, and December 11, 2019, Peraso repeatedly acknowledged the shortcomings identified by Ubiquiti in the materials provided by Peraso on October 31, 2019, and repeatedly attempted to rectify those shortcomings.

31. By October 31, 2019, a Ubiquiti subsidiary had invested over $5 million in Peraso and in the development of the chipsets which, pursuant to the License Agreement, were to be made available exclusively to Ubiquiti.

32. Upon information and belief, in spite of the substantial investment made in Peraso by a Ubiquiti subsidiary, by the Fall of 2019 Peraso's financial condition had deteriorated to the point that it was having difficulty making payroll.

33. Upon information and belief, by the Fall of 2019 Peraso had accumulated a large sum of accrued and unpaid dividends owed to the Preferred Share Investors.

34. Upon information and belief, in or about November 2019, Peraso or its board of directors entered into a relationship with a broker to seek a sale of Peraso to a third party and the broker was unable to generate any interest in the purchase of Peraso other than a potential sale of Peraso to a US-based hardware company.

35. Upon information and belief, the terms of the potential sale of Peraso to a US-based hardware company would generate sufficient proceeds to provide compensation to the Preferred Share Investors but would leave other investors, including the holders of common shares, with little or no compensation.

36. Upon information and belief, each of McLean, Whitaker, Abbot, Adderley, Imed Zine, and Riad Zine, through their interests in the preferred shares of Peraso and in the Venture Funds, would earn a substantial personal financial reward if Peraso were to be acquired by the U.S.-based hardware company.

37. Upon information and belief, the Individual Defendants learned that the U.S.-based hardware company was not interested in purchasing Peraso so long as Ubiquiti had the exclusive rights to certain chips being developed by Peraso as provided in the License Agreement.

38. Upon information and belief, McLean, Whitaker, Abbot, Adderly, Imed Zine and Riad Zine, acting in concert, decided to terminate the License Agreement in order to increase the likelihood that Peraso would be acquired by the U.S.-based hardware company, even though Ubiquiti was not in breach of its obligations under the License Agreement, there was no legal basis for terminating the License Agreement, and terminating the License Agreement was not in the best interests of Peraso and its shareholders other than the Preferred Share Investors.

39. On December 11, 2019, counsel acting on behalf of Peraso, gave notice to Ubiquiti that Ubiquiti was allegedly in default of a material obligation under the License Agreement (the "Default Notice"). Specifically, the Default Notice claimed that Peraso had given Ubiquiti written notice of its achievement of the Third Tranche Development Milestones on October 31, 2019, and that Ubiquiti failed to give Peraso written notice of rejection or acceptance of Peraso's alleged achievement of the Third Tranche Development Milestones within 30 days of October 31, 2019.

40. The Default Notice does not identify the document or documents that allegedly constitute the October 31, 2019, notice to Ubiquiti that Peraso had achieved the Third Tranche Development Milestones.

41. As of December 11, 2019, Peraso had not provided Ubiquiti with notice sufficient to "demonstrate to the reasonable satisfaction of" Ubiquiti that Peraso had

achieved the Third Tranche Development Milestones by or before October 31, 2019, the deadline for such achievement set forth in the License Agreement.

42. As of December 11, 2019, Ubiquiti was not in default of its obligations under the License Agreement.

43. The License Agreement provides that a party receiving a notice of default has 30 days to respond to the noticed default.

44. On December 11, 2019, shortly before Peraso's counsel issued the Notice of Default and in furtherance of the Individual Defendants' plan to wrongfully terminate the License Agreement, McLean advised Ubiquiti that Peraso would issue the Default Notice but the Default Notice did not require a response because the Third Tranche Development Milestones had not been achieved prior to October 31, 2019. Peraso's counsel issued the Default Notice shortly after McLean advised Ubiquiti that the Default Notice did not require a response.

45. On January 16, 2020, Peraso purported to terminate the License Agreement based on Ubiquiti's alleged failure to remedy the alleged material breach set forth in the Notice of Default. Upon information and belief, this notice of termination was provided by Peraso to the US-based hardware company in an effort to facilitate a potential sale of Peraso.

46. Ubiquiti has performed each of its obligations under the License Agreement and is not in breach of any of its obligations under the License Agreement.

47. Peraso has ceased performing its obligations under the License Agreement.

48. As a result of the purported termination of the License Agreement by Peraso, Ubiquiti has been deprived of access to the chipsets under the terms of the License

Agreement and has been damaged in an amount to be determined at trial and believed to be in excess of $5 million.

49. As a result of the breach of the License Agreement by Peraso, Ubiquiti has been deprived of access to the chipsets under the terms of the License Agreement and has been damaged in an amount to be determined at trial.

FIRST CAUSE OF ACTION FOR DECLARATORY JUDGMENT (PERASO)

50. Plaintiff repeats and realleges paragraphs 1 through 49 of this First Amended Complaint as if fully set forth herein.

51. Ubiquiti has fulfilled all of its obligations under the License Agreement and, therefore, is not in breach of any contract or agreement with Peraso.

52. Peraso persists in asserting -- incorrectly and wrongly -- that Ubiquiti materially breached the License Agreement and that the License Agreement has been terminated.

53. The dispute between the Ubiquiti and Peraso is a justiciable controversy appropriate for declaratory judgment under the Declaratory Judgment Act, 28 U.S.C.A. §§ 2201, 2202.

SECOND CAUSE OF ACTION FOR BREACH OF CONTRACT (PERASO)

54. Plaintiff repeats and realleges paragraphs 1 through 53 of this First Amended Complaint as if fully set forth herein.

55. Ubiquiti has fulfilled all of its obligations under the License Agreement and, therefore, is not in breach of any contract or agreement with Peraso.

56. Peraso has ceased performing its obligations under the License Agreement.

57. As a result of the breach of the License Agreement by Peraso, Ubiquiti has been damaged in an amount to be determined at trial.

THIRD CAUSE OF ACTION FOR BREACH OF COVENANT OF GOOD FAITH AND FAIR DEALING (PERASO)

58. Plaintiff repeats and realleges paragraphs 1 through 57 of this First Amended Complaint as if fully set forth herein.

59. Implied in all contracts is a covenant of good faith and fair dealing which obligates the parties to act in good faith, to use their best efforts to deal fairly with one another, and to do nothing that will impede the other party from obtaining the benefits of the contract.

60. By the conduct as set forth above, Peraso has breached the covenant of good faith and fair dealing and has wrongfully deprived, impaired, destroyed and injured the rights of the Ubiquiti to receive the value, benefit and fruits of the License Agreement and of the promise to make develop chipsets to be licensed exclusively to Ubiquiti.

61. As a result of the breach by Peraso of the covenant of good faith and fair dealing, Ubiquiti has suffered damages in an amount to be determined at trial and believed to be no less than $5 million.

FOURTH CAUSE OF ACTION FOR CONVERSION (PERASO)

62. Plaintiff repeats and realleges paragraphs 1 through 61 of this First Amended Complaint as if fully set forth herein.

63. Peraso's unlawful termination of the License Agreement, as alleged above, was intended to and, in fact, did appropriate to Peraso, without justification, the rights,

benefits and interest in and to the chipsets that were exclusively licensed to Ubiquiti under the License Agreement.

64. The termination of the License Agreement was unlawful and constitutes conversion of Ubiquiti's exclusive interest in chipsets.

65. As a direct and proximate result of Peraso's conduct, Ubiquiti has been damaged in an amount to be proven at the time of trial, but believed to be in excess of $5 million, and Ubiquiti is entitled as well to punitive damages, prejudgment interest, and reimbursement of legal fees.

FIFTH CAUSE OF ACTION FOR TORTIOUS INTERFERENCE WITH CONTRACT (INDIVIDUAL DEFENDANTS)

66. Plaintiff repeats and realleges paragraphs 1 through 65 of this First Amended Complaint as if fully set forth herein.

67. The License Agreement was and is a valid contract between Ubiquiti and Peraso.

68. Each of the Individual Defendants, through his participation in the corporate governance of Peraso as a member of its board of directors, was aware of the License Agreement and its terms.

69. Each of the Individual Defendants, through his participation in the corporate governance of Peraso as a member of its board of directors, was aware that the U.S.-based hardware company was not interested in purchasing Peraso so long as Ubiquiti had the exclusive rights to certain chipsets being developed by Peraso as provided in the License Agreement.

70. Each of the Individual Defendants, through his participation in the corporate governance of Peraso as a member of its board of directors, was aware that Ubiquiti was

not in breach of its obligations under the License Agreement and that there was no legal basis for terminating the License Agreement as of December 11, 2019.

71. The Individual Defendants, acting in concert, caused Peraso to terminate the License Agreement unlawfully and without justification.

72. The Individual Defendants, acting in concert, caused Peraso to issue the Notice of Default, knowing that Ubiquiti was not in default under the terms of the License Agreement.

73. The Individual Defendants, acting in concert, caused Peraso to terminate the License Agreement even though terminating the License Agreement was not in the best interests of Peraso and its shareholders other than the Preferred Share Investors.

74. Each of the Individual Defendants acted in furtherance of his personal gain, either through direct ownership of preferred stock in Peraso (McLean) or through his participation in and employment by one of the Venture Funds (Whitaker, Abbot, Adderly, Imed Zine and Riad Zine), by causing the issuance of the false Notice of Default purporting to terminate the License Agreement.

75. The Individual Defendants' tortious interference with the contractual relationship between Ubiquiti and Peraso has caused damage to Ubiquiti in an amount to be determined at trial.

SIXTH CAUSE OF ACTION FOR FRAUD
(INDIVIDUAL DEFENDANTS)

76. Plaintiff repeats and realleges paragraphs 1 through 75 of this First Amended Complaint as if fully set forth herein.

77. Upon information and belief, Whitaker, Abbot, Adderly, Imed Zine and Riad Zine were acting in concert with McLean to unlawfully terminate the License Agreement and authorized McLean to act on their behalf to accomplish that goal.

78. On December 11, 2019, McLean advised Ubiquiti that Peraso would issue the Default Notice but the Default Notice did not require a response because the Third Tranche Development Milestones had not been achieved prior to October 31, 2019.

79. McLean's representation to Ubiquiti that the Default Notice did not require a response was false when made.

80. The Individual Defendants knew that McLean's representation regarding the Default Notice was false when made or that the representation was made recklessly.

81. The Individual Defendants intended that Ubiquiti would rely on the false representation and would not prepare a response to the Notice of Default as required by the License Agreement.

82. Ubiquiti reasonably relied on the false representation. Had Ubiquiti been aware of the truth it would have remedied the default set forth in the Notice of Default in the manner provided in the License Agreement.

83. As a result of the fraud committed by the Individual Defendants, Peraso purported to terminate the License Agreement and Ubiquiti has been harmed in an amount to be determined at trial but believed to be in excess of $5 million.

WHEREFORE, plaintiff Ubiquiti, respectfully requests that this Court:

A. Enter a declaratory judgment holding that Ubiquiti is not in breach of the License Agreement;

B. Enter a declaratory judgment holding that the License Agreement is in full force and effect;

C. Enter a declaratory judgment holding that Peraso is obligated to honor the terms of the License Agreement, including its obligation and to make the chipsets available to Ubiquiti exclusively as required by the License Agreement;

D. Award Ubiquiti compensatory damages for the acts complained of herein in an amount to be determined at trial and believed to be in excess of $5 million;

E. On its Fourth, Fifth and Sixth Causes of Action, award Ubiquiti compensatory damages in an amount to be proven at trial and believed to be in excess of $5 million, together with punitive damages, prejudgment interest and legal fees;

F. Award to Ubiquiti its full costs, disbursements, and reasonable attorneys' fees incurred in this action; and

G. Award to Ubiquiti such additional and further relief as the Court deems just and proper.

Dated: New York, New York
March 10, 2020

<u>/s/ Mario Aieta</u>
Mario Aieta
Alanna B. Newman
Peggy Chen
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abnewman@duanemorris.com

Attorneys for Plaintiff
Ubiquiti Inc.

EXHIBIT "C"

EXHIBIT "C"

referred to in the Affidavit of

RONALD GLIBBERY

Sworn June 2, 2020

DocuSigned by:

Nicholas Avis

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Commissioner for Taking Affidavits

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UBIQUITI INC.,

Plaintiff,

v.

Civil No.: 20-CV-1312

PERASO TECHNOLOGIES INC., BILL McLEAN, JIM WHITAKER, SHAWN ABBOT, DAVID ADDERLEY, IMED ZINE and RIAD ZINE,

Defendants.

PERASO'S ANSWER
TO FIRST AMENDED COMPLAINT
AND COUNTERCLAIMS

Defendant PERASO TECHNOLOGIES INC. ("Peraso"), by its attorneys Hodgson Russ LLP, for its answer and counterclaims to the First Amended Complaint of plaintiff Ubiquiti Inc., states as follows:

1. With respect to paragraph 1, states that this is an action for declaratory judgment and monetary damages. The remaining assertions are legal conclusions to which no response is required. To the extent a response is required, Peraso denies the allegations in paragraph 1.

2. Admits the allegations in paragraph 2.

3. Admits the allegations in paragraph 3.

4. Denies that Mr. McLean is a resident of Toronto, Ontario; denies that Mr. McLean is or was a preferred shareholder of Peraso; and admits that Mr. McLean was the President, CEO, and a member of the board of directors of Peraso.

5. Admits that Mr. Whitaker resides in Toronto, Ontario; admits that Mr. Whitaker was a member of the board of directors of Peraso; admits that Venturelink Innovation Fund Inc. is a preferred shareholder of Peraso; and denies knowledge or information sufficient to form a belief as to the remaining allegations in paragraph 5 and therefore denies them.

6. Denies that Shawn Abbott is a resident of Toronto, Ontario; admits that Mr. Abbott was a member of the board of directors of Peraso; admits that iNovia is a preferred shareholder of Peraso; and denies knowledge or information sufficient to form a belief as to the remaining allegations in paragraph 6 and therefore denies them.

7. Denies that Mr. Adderley is a resident of Toronto, Ontario; admits that Mr. Adderley was a member of the board of directors of Peraso; admits that Celtic is a preferred shareholder of Peraso; and denies knowledge or information sufficient to form a belief as to the remaining allegations in paragraph 7 and therefore denies them.

8. Admits that Mr. Imed Zine resides in Toronto, Ontario; and admits that Mr. Imed Zine was a member of the board of directors of Peraso; admits that Roadmap Capital, Inc. is a preferred shareholder of Peraso; and denies knowledge or information sufficient to form a belief as to the remaining allegations in paragraph 8 and therefore denies them.

9. Admits that Mr. Riadh Zine resides in Toronto, Ontario; admits that Mr. Riadh Zine was a member of the board of directors of Peraso; and denies knowledge or

information sufficient to form a belief as to the remaining allegations in paragraph 9 and therefore denies them.

JURISDICTION AND VENUE

10. Denies that Mr. McLean is a citizen of Canada; and admits the remaining allegations in paragraph 10.

11. Admits that this Court has jurisdiction over Peraso and denies the remaining allegations in paragraph 11.

12. Admits that venue is proper with respect to Peraso; denies that venue is proper for any other defendant; and denies the remaining allegations in paragraph 12.

13. States that paragraph 13 asserts a conclusion of law to which no response is required and therefore denies the allegations in paragraph 13.

14. Admits that Ubiquiti is a publicly traded company, and denies knowledge or information sufficient to form a belief as to the remaining allegations in paragraph 14.

15. Admits that Peraso is a venture-funded private company that develops integrated circuits for the 60 GHz wireless marketplace.

16. Admits that Mr. McLean, Mr. Whittaker, Mr. Abbott, Mr. Adderly, Mr. Imed Zine, and Mr. Riadh Zine were members of the board of directors of Peraso and denies the remaining allegations in paragraph 16.

17. Denies that Mr. McLean is a preferred share investor and therefore denies the applicability of the term “Preferred Share Investor” in this paragraph and throughout the

complaint; admits that Venturelink, iNovia, Celtic, and Roadmap were and are investors in Peraso prior to December 21, 2018 and through today; and denies the remaining allegations in paragraph 17.

18. Denies knowledge or information sufficient to form a belief as to the allegations in paragraph 18 and therefore denies them.

19. Admits that Charter Documents of Peraso set out the rights of preferred share investors; refers to the Charter Documents, including but not limited to the Articles and Unanimous Shareholders' Agreement, for their contents; and denies the remaining allegations in paragraph 19.

20. Admits the allegations in paragraph 20.

21. Admits that Peraso and Ubiquiti Networks Canada Inc. entered into Class C Series 1 Convertible Preferred Share Subscription Agreement (the "Subscription Agreement") simultaneously with the License Agreement and in consideration for the obligations undertaken by Peraso and Ubiquiti in the License Agreement; refers to the Subscription Agreement for its contents; and denies the allegations in paragraph 21.

22. Denies the allegations in paragraph 22.

23. Admits that Peraso agreed to develop Peraso chipsets for Ubiquiti as set forth in the terms of the License Agreement; refers to the License Agreement for its contents; and denies the remaining allegations in paragraph 23.

24. Admits that the License Agreement contains three development milestones; admits that the language of the License Agreement is accurately quoted; and denies the remaining allegations in paragraph 24.

25. Admits the allegations in paragraph 25.

26. Admits that Peraso had to give notice of achievement of the development milestones; refers to the License Agreement for its terms; and denies the remaining allegations in paragraph 26.

27. Admits that the License Agreement, paragraph 2.2 is accurately quoted in paragraph 27; refers to the License Agreement for its contents; and denies the remaining allegations in paragraph 27.

28. Denies the allegations in paragraph 28.

29. Admits only that Ubiquiti and Peraso were in contact between October 31, 2019 and December 11, 2019, and denies the remaining allegations in paragraph 29.

30. Admits only that Ubiquiti and Peraso were in contact between October 31, 2019 and December 11, 2019, and denies the remaining allegations in paragraph 30.

31. Admits only that Ubiquiti Networks Canada invested $5 million in Peraso of a $15 million Subscription Agreement; and denies the remaining allegations in paragraph 31.

32. Denies the allegations in paragraph 32.

33. Admits only that Peraso had accrued and unpaid dividends and denies the remaining allegations in paragraph 33.

34. Admits that Peraso contacted a consultant to identify strategic investors for a possible capital raise; states that a possible merger and/or acquisition candidate emerged from that process; and denies the remaining allegations in paragraph 34.

35. Denies the allegations in paragraph 35.

36. Denies the allegations in paragraph 36.

37. Denies the allegations in paragraph 37.

38. Denies the allegations in paragraph 38.

39. Admits only that Peraso issued a notice of default; refers to the notice for its terms and language; and denies the remaining allegations in paragraph 39.

40. Admits only that Peraso issued a notice of default; refers to the notice for its terms and language; and denies the remaining allegations in paragraph 40.

41. Denies the allegations in paragraph 41.

42. Denies the allegations in paragraph 42.

43. Admits the allegations in paragraph 43.

44. Denies the allegations in paragraph 44.

45. Admits that Peraso sent Ubiquiti a notice of termination of the License Agreement on January 16, 2020 based on Ubiquiti's failure to remedy the material breaches set forth in the notice of default; and denies the remaining allegations in paragraph 45.

46. Denies the allegations in paragraph 46.

47. States that Peraso performed under the terms of the License Agreement until it terminated that License Agreement; and denies the allegations in paragraph 47.

48. Denies the allegations in paragraph 48.

49. Denies the allegations in paragraph 49.

CAUSES OF ACTION

FIRST CAUSE OF ACTION FOR DECLARATORY JUDGMENT (Against Peraso)

50. With respect to paragraph 50, repeats and re-alleges all paragraphs above as though fully set forth herein.

51. Denies the allegations in paragraph 51.

52. States that Peraso maintains that Ubiquiti materially breached the License Agreement; and states that the License Agreement was properly terminated; and denies the allegations in paragraph 52.

53. States that the allegations in paragraph 53 call for a legal conclusion and do not require a response.

SECOND CAUSE OF ACTION FOR BREACH OF CONTRACT (Against Peraso)

54. With respect to paragraph 54, repeats and re-alleges all paragraphs above as though fully set forth herein.

55. Denies the allegations in paragraph 55.

56. Denies the allegations in paragraph 56.

57. Denies the allegations in paragraph 57.

THIRD CAUSE OF ACTION FOR
BREACH OF COVENANT OF GOOD FAITH AND FAIR DEALING
(Against Peraso)

58. With respect to paragraph 58, repeats and re-alleges all paragraphs above as though fully set forth herein.

59. With respect to paragraph 59, states that it is a legal conclusion to which no response is required.

60. Denies the allegations in paragraph 60.

61. Denies the allegations in paragraph 61.

FOURTH CAUSE OF ACTION FOR
CONVERSION
(Against Peraso)

62. With respect to paragraph 62, repeats and re-alleges all paragraphs above as though fully set forth herein.

63. Denies the allegations in paragraph 63.

64. Denies the allegations in paragraph 64.

65. Denies the allegations in paragraph 65.

FIFTH CAUSE OF ACTION FOR
TORTIOUS INTERFERENCE WITH CONTRACT
(Against Individual Defendants)

66. With respect to paragraph 66, repeats and re-alleges all paragraphs above as though fully set forth herein.

67. States that this cause of action is not asserted against Peraso and denies the allegations in paragraph 67.

68. States that this cause of action is not asserted against Peraso; admits only that the individual defendants were aware of the License Agreement; and denies the remaining allegations in paragraph 68.

69. States that this cause of action is not asserted against Peraso and denies the allegations in paragraph 69.

70. States that this cause of action is not asserted against Peraso and denies the allegations in paragraph 70.

71. Denies the allegations in paragraph 71.

72. States that this cause of action is not asserted against Peraso and denies the allegations in paragraph 72.

73. States that this cause of action is not asserted against Peraso and denies the allegations in paragraph 73.

74. States that this cause of action is not asserted against Peraso and denies the allegations in paragraph 74.

75. Denies the allegations in paragraph 75.

SIXTH CAUSE OF ACTION FOR FRAUD (Against Individual Defendants)

76. With respect to paragraph 76, repeats and re-alleges all paragraphs above as though fully set forth herein.

77. States that this cause of action is not asserted against Peraso and denies the allegations in paragraph 77.

78. Denies the allegations in paragraph 78.

79. Denies the allegations in paragraph 79.

80. States that this cause of action is not asserted against Peraso and denies the allegations in paragraph 80.

81. States that this cause of action is not asserted against Peraso and denies the allegations in paragraph 81.

82. States that this cause of action is not asserted against Peraso and denies the allegations in paragraph 82.

83. States that this cause of action is not asserted against Peraso and denies the allegations in paragraph 83.

Peraso denies all allegations in the "WHEREFORE" paragraph of the Complaint, and denies that Ubiquiti is entitled to declaratory judgment, monetary damages, compensatory damages, interest, attorneys' fees or costs, or any other relief requested.

DEFENSES

First Defense

84. Plaintiff's complaint, and each and every cause of action, fails to state a claim upon which relief can be granted.

Second Defense

85. Plaintiff has failed to mitigate its claimed damages.

Third Defense

86. Plaintiff's claims are barred by the doctrines of consent, ratification, and/or acquiescence.

Fourth Defense

87. Plaintiff's claims for equitable relief are barred by the doctrine of unclean hands.

Fifth Defense

88. Plaintiff is not entitled to injunctive relief for reasons that include that plaintiff had not suffered irreparable harm and plaintiff, had it actually suffered any injury, would have an adequate remedy at law.

Sixth Defense

89. Plaintiff's claims are barred, in whole or in part, by the doctrine of laches.

Seventh Defense

90. Plaintiff's claims are barred by its material breaches of the License Agreement, the Subscription Agreement and other agreements.

Eighth Defense

91. Plaintiff's fraud claim is not pleaded with the specificity required by Federal Rule of Civil Procedure 9(b).

Ninth Defense

92. Plaintiff failed to meet a condition precedent.

Tenth Defense

93. Peraso's termination of the License Agreement was proper under the law and in accordance with the terms of the License Agreement.

COUNTERCLAIMS

94. Peraso is a corporation incorporated under the laws of the Province of Ontario, having a place of business at 144 Front Street West, Suite 685, Toronto, Ontario, M5J 2L7, Canada.

95. Ubiquiti is a corporation incorporated under the laws of Delaware, having a place of business at 685 Third Ave, 27th Floor, New York, NY 10017.

96. The Court has subject-matter jurisdiction under 28 U.S.C. § 1332 because there is diversity of citizenship and the amount in controversy exceeds $75,000. There is diversity of citizenship because Ubiquiti is a citizen of Delaware and New York and Peraso is a citizen of Canada. These counterclaims are mandated by Rule 13(a) of the Federal Rules of Civil Procedure.

97. This Court has personal jurisdiction over Ubiquiti because it is a corporation with a place of business in New York. Ubiquiti has agreed to submit to the personal

jurisdiction of courts located in New York, New York, and has specifically submitted to the jurisdiction of this Court by filing this action as plaintiff

98. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(3) because Ubiquiti has agreed to submit to the personal jurisdiction of courts located in New York, New York, to adjudicate any suit, action, or proceeding arising out of or in connection with the License Agreement that is the subject of this dispute.

99. Ubiquiti is a shareholder in Peraso. At all relevant times, it received financial information from Peraso on a quarterly basis and was entitled to receive certain financial information upon request.

100. Peraso and Ubiquiti entered into a License and Development Agreement ("License Agreement") on December 21, 2018 that was part of a larger transaction as referenced in plaintiff's Amended Complaint at ¶ 21. The transaction included the License Agreement and the Subscription Agreement. Amended Complaint ¶ 21. Ubiquiti's wholly-owned subsidiary, Ubiquiti Networks Canada, is party to the Subscription Agreement. Ubiquiti directed and controlled all actions by Ubiquiti Networks Canada with respect to the Subscription Agreement.

101. The License Agreement related to Peraso's development of chipsets. A chipset is a set of electronic component which consists of a least one radio device, one baseband device, and typically, an antenna. A material component of the License Agreement was the development of a next generation RF IC ("Rockfinch radio") as spelled out in the License Agreement.

102. The definition of "Licensed Chipsets" under the License Agreement refers

to complete, multi-component chipsets as set forth in Schedule A to the License Agreement, not the individual parts. Under the compliance requirements in the License Agreement, a Licensed Chipset is not compliant without the baseband, and the radio is not compliant without the baseband.

103. The pricing agreed to under the License Agreement, Schedule A, required chipsets, not the component parts.

104. The License Agreement contained certain deadlines, or milestones, that Peraso agreed to meet in exchange for equity investments into Peraso by Ubiquiti and its subsidiary. Amended Complaint ¶ 21. Those milestones are called Tranche Development Milestones.

105. The Tranche Development Milestones were a material part of the License Agreement as they established the sequence of the development work. The Tranche Development Milestones also set a schedule for investments in Peraso, providing a predictable capital flow to Peraso, allowing Peraso to continue development work and finance Peraso's operations.

106. The Second Tranche Development Milestone was due on or before January 31, 2019. The Third Tranche Development Milestone was due on or before October 31, 2019.

107. On January 29, 2019, Peraso met the Second Tranche Development Milestone and gave proper notice to Ubiquiti under the terms of the License Agreement.

108. Section 2.2 of the License Agreement required Ubiquiti to either accept or reject the achievement of the milestone in a specific manner, including a duty to act in good faith:

> Within 30 days of receipt of such notice, Customer will determine whether the Acceptance Criteria in respect of the applicable Milestone have been satisfied. At the end of each such 30 days period, Customer shall provide Peraso with written notice of rejection or acceptance of whether Peraso has demonstrated the satisfaction of the Acceptance Criteria in respect of the Development Milestone to the reasonable satisfaction of Customer, acting in good faith. If Customer believes that the Acceptance Criteria for the applicable Milestone have not been satisfied ("Rejection"), Customer will give Peraso notice in writing setting out in adequate detail the reason for such Rejection ("Notice of Defect").

109. Ubiquiti did not confirm that the Acceptance Criteria for the Second Tranche Development Milestone had been satisfied, nor did Ubiquiti provide written notice of a Rejection setting forth in adequate detail the reason for such rejection.

110. Ubiquiti's failure to do so constituted a material breach of the License Agreement.

111. Peraso's achievement of the Second Tranche Development Milestone triggered a payment obligation under which Ubiquiti, through its subsidiary, was obligated to invest $2 million in Peraso.

112. Ubiquiti did not make the required $2 million investment.

113. Peraso determined that it would not take immediate action on this default, in an effort to not derail its work and risk damage to the ongoing relationship with Ubiquiti and

to continue focusing its efforts to meet the Third Tranche Development Milestone in October 2019.

114. On February 8, 2019, Ubiquiti made clear in an email transmission from Todd Cramer to Peraso's Bill McLean that Ubiquiti was intending to develop products that used its own baseband component and ported the radio component developed by Peraso. The License Agreement does not contemplate the sale of component parts.

115. On June 4, 2019, Peraso communicated again to Ubiquiti that: (1) Peraso had met the Second Tranche Development Milestone on January 29, 2019; (2) Ubiquiti had not complied with Section 2.2 of the License Agreement; and (3) Peraso was continuing its development work nevertheless in good faith.

116. On July 26, 2019, Peraso's team shared the news with Ubiquiti that the chip tests were positive. A detailed performance presentation was sent to Ying Chen, a Senior Engineer at Ubiquiti.

117. Despite the preliminary results that indicated that the Third Tranche Development Milestone would be achieved, Ubiquiti nevertheless expressed that it wanted alternative performance to meet its own requirements that were not part of the Third Tranche Development Milestone.

118. On August 26, 2019, about two months before Peraso's deadline for the Third Tranche Development Milestone of October 31, 2019, Ubiquiti expressed that it would not make the Third Tranche Development Milestone investment of $8 million unless the existing, bargained-for terms of the License Agreement were changed in two material ways: (1) revisions

to the specifications to meet their own requirements; and (2) joint ownership over the intellectual property for Ubiquiti.

119. Specifically, Mr. Cramer of Ubiquiti emailed Bill McLean, expressing that Ubiquiti required joint ownership of the intellectual property as part of a revised Third Tranche financing. Ubiquiti's demand related to the Rockfinch radio component, including all of the supporting design files and documentation related to the semiconductor device.

120. Peraso continued with its work toward the Third Tranche Development Milestone.

121. From July 2019 through October 31, 2019, Ubiquiti made multiple unilateral requests to change the deliverables and specifications under the License Agreement. Peraso continued to work with Ubiquiti in good faith.

122. Starting around August 26, 2019 and continuing until the Third Tranche Development Milestone deadline of October 31, 2019, Ubiquiti demanded that it be given the complete ownership rights to the intellectual property covered by the License Agreement. Ubiquiti threatened that it would not make the Third Tranche Development Milestone investment of $8 million in Peraso if its demand was not met.

123. The License Agreement did not afford to Ubiquiti the ownership or manufacturing rights that it demanded, and Peraso rejected Ubiquiti's demand.

124. On October 31, 2019, Peraso gave proper notice of satisfaction that it achieved the Third Tranche Development Milestone.

125. Ubiquiti had 30 days under Section 2.2 of the License Agreement to provide a written notice of Rejection or acceptance.

126. Ubiquiti did not confirm that the Acceptance Criteria set forth in the License Agreement had been met nor did Ubiquiti provide a written notice of Rejection.

127. Ubiquiti's failure to do so constituted a material breach of the License Agreement.

128. Ubiquiti did not make the required $8 million investment.

129. Between October 31, 2019 and December 11, 2019, Peraso repeatedly inquired as to whether Ubiquiti would accept or reject the achievement of the Third Tranche Development Milestone. Peraso asked Ubiquiti repeatedly whether anything further was required from it.

130. Ubiquiti offered some criticisms of the performance but did not issue any written rejection related to the Acceptance Criteria.

131. Further, any claim of performance issues related to the Rockfinch radio component are undermined by Ubiquiti's subsequent February 2020 order for 100,000 units of the Rockfinch radio component that met the specifications set forth in the Third Tranche Development Milestone.

132. On or about October 1, 2019, Peraso informed Ubiquiti that a term sheet for financing had been issued and it was invited to participate. The financing was in the form of

a convertible note. The only reason financing was necessary was because the lack of promised investments put Peraso at risk.

133. In November 2019, Ubiquiti became aware of Peraso's deteriorating financial situation in the context of a potential offer for a purchase of the company from a third party.

134. On December 11, 2019, Peraso's CEO Bill McLean, together with its counsel, had a phone call with two Ubiquiti executives, Todd Cramer and Hartley Nisenbaum to discuss the status of the License Agreement. During the phone call, Mr. McLean advised them that Ubiquiti was in default because it had neither accepted nor rejected the achievement of the Third Tranche Development Milestone.

135. Immediately following that call, Mr. McLean summarized the parties' positions in an email to Mr. Cramer and Mr. Nisenbaum, informing Ubiquiti that Peraso's counsel would be sending a default letter to Ubiquiti.

136. Also on or around December 11, 2019, Ubiquiti stated that it did not believe that Peraso had a viable financing plan and continued to insist that Peraso turn over the intellectual property rights to Ubiquiti.

137. Peraso's counsel then, also on December 11, 2019, sent a written notice of default to Ubiquiti, demanding cure of the default within 30 days.

138. Ubiquiti did not cure the default.

139. On January 16, 2020, Peraso terminated the License Agreement by a letter

from its counsel to Ubiquiti.

140. In December 2019, Peraso completed a financing for short term capital to remain solvent and continue operating, (the "December Financing").

141. Ubiquiti had the right to participate in the financing on the same terms but declined to do so.

142. On January 27, 2020, Peraso entered into exclusive negotiations with a third-party potential buyer for a potential sale of the entire company. The exclusivity period for the negotiations ran until March 1, 2020.

143. On February 14, 2020, Ubiquiti sued Peraso in this action seeking a declaration that Ubiquiti had not breached the License Agreement.

144. The potential buyer then ended negotiations with Peraso.

145. On March 2, 2020, the disinterested members of Peraso's board of directors approved a new financing subject to shareholder approval by class vote in order for Peraso to remain solvent and continue its operations. Particularly, Peraso did not have sufficient funds to meet its payroll obligations which were due on March 13, 2020.

146. On March 2, 2020, Ubiquiti received a Notice of Special Meeting of Shareholders to be held on March 12, 2020 and a Form of Proxy.

147. On March 3, 2020, Peraso sent a notice of pre-emptive rights to shareholders, including Ubiquiti.

148. On March 10, 2020, Ubiquiti amended its lawsuit to include additional

claims against Peraso and added Peraso's individual officers and directors to the lawsuit alleging they committed fraud.

149. Ubiquiti did not exercise any pre-emptive rights in response to the Notice of Special Meeting to Shareholders.

150. On March 11, 2020, Ubiquiti tendered an unreasonable "loan-to-own" proposal after 4 p.m. on the day before the March 12, 2020 shareholder meeting which was to be held at 8 a.m. The proposal did not include any material terms, such as amount and closing date. Ubiquiti's loan proposal acknowledged that holders of the convertible debt had security interests over Peraso's intellectual property and Ubiquiti would require subordination of that security interest.

151. Ubiquiti then threatened that all shareholders needed to be informed of its vague and inchoate proposal. Ubiquiti's belated proposal was designed only to cause confusion and distract from the formal proposal set forth in the proxy sent to shareholders. By its very terms, Ubiquiti's proposal was incapable of being carried out and completed.

152. Ubiquiti did not attend the shareholder meeting where shareholders were made aware of Ubiquiti's loan-to-own proposal.

153. Ubiquiti had the right to vote on the existing financing proposal set forth in the proxy. It did not vote against the financing.

154. On March 12, 2020, necessary shareholder approval was obtained.

155. On March 13, 2020, the financing closed, payroll was met. All

shareholders, including Ubiquiti, were informed of the closing.

156. As a result of Ubiquiti's breach and its failure to make and/or have made the required investments, Peraso has suffered grave harm to its business and operations.

<u>First Counterclaim</u>
(Declaratory Judgment)

157. Peraso repeats and realleges paragraphs 94 through 156 as if set forth fully herein.

158. Peraso fulfilled all of its obligations under the License Agreement.

159. Ubiquiti did not fulfill all of its obligations under the License Agreement and materially breached the License Agreement.

160. Ubiquiti claims that Peraso improperly terminated the License Agreement.

161. Peraso properly terminated the License Agreement.

162. The dispute between Peraso and Ubiquiti is a justiciable controversy appropriate for declaratory judgment under the Declaratory Judgment Act, 28 U.S.C.A. ¶¶ 2201, 2202.

<u>Second Counterclaim</u>
(Breach of Contract)

163. Peraso repeats and realleges paragraphs 94 through 162 as if set forth fully herein.

164. Peraso has fulfilled all of its obligations under the License Agreement and is not in breach of any contract or agreement with Ubiquiti.

165. Ubiquiti did not perform under the License Agreement.

166. Ubiquiti breached the License Agreement by not complying with Section 2.2 of the License Agreement.

167. Ubiquiti also breached the express duty of good faith as set forth in the License Agreement.

168. Ubiquiti's breaches substantially defeated the purpose of the contract and goes to the very root of the contract.

169. As a result of the breaches by Ubiquiti, Peraso has been irreparably harmed and damaged in an amount to be determined at trial.

Third Counterclaim
(Breach of Duty of Good Faith and Fair Dealing)

170. Peraso repeats and realleges paragraphs 94 through 169 as if set forth fully herein.

171. Implied in all contracts is a covenant of good faith and fair dealing which obligates the parties to act in good faith, to use their best efforts to deal fairly with one another and to do nothing that will impede the other party from obtaining the benefits of the contract.

172. By its conduct, Ubiquiti has breached the covenant of good faith and fair dealing and has deprived, impaired, destroyed and injured the rights of Peraso under the License Agreement and the Subscription Agreement.

173. Ubiquiti intentionally and maliciously frustrated the purpose of the License Agreement.

174. As a result of Ubiquiti's breach of the covenant of good faith and fair dealing, Peraso has suffered irreparable harm, general damages, special damages, and damages continuing into the future, in an amount to be determined at trial.

Fourth Counterclaim
(Prima Facie Tort)

175. Peraso repeats and realleges paragraphs 94 through 174 as if set forth fully herein.

176. Ubiquiti intended to, and in fact did, cause harm to Peraso.

177. Peraso was harmed by Ubiquiti's conduct and suffered special damages including diminution in the value of Peraso's business and costs associated with alternative financing, along with damage continuing into the future.

178. Ubiquiti engaged in the campaign of intentional harm with no excuse or justification.

179. Ubiquiti's conduct in damaging Peraso's business and depriving Peraso of capital investments has caused irreparable and grave harm to Peraso's business as well as damages in an amount to be proven at trial.

PRAYER FOR RELIEF

WHEREFORE, Peraso hereby demands judgment against Ubiquiti as follows:

1. A declaration that: (a) Peraso properly and effectively terminated the License Agreement; and (b) Ubiquiti breached the License Agreement.

2. Monetary damages, including special damages and consequential damages, consisting of:

   a) Remuneration for costs and expenses of seeking alternative financing, in an amount of at least $1 million.

   b) Diminution in the value of Peraso's business of at least $100 million as a result of Ubiquiti's conduct;

3. In the alternative to a declaration that Peraso properly and effectively terminated the License Agreement, then rescission of the License Agreement;

4. Compensation in the amount of at least $1 million for damage to goodwill and reputation of Peraso;

5. Punitive damages in the amount of at least $10 million;

6. Costs, disbursements, and reasonable attorneys' fees for the defense of Ubiquiti's claims and prosecution of its own claims.

Dated: March 27, 2020

HODGSON RUSS LLP
Attorneys for Defendant Peraso Technologies Inc.

By: ______________________________
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EXHIBIT “D”

EXHIBIT "D"

referred to in the Affidavit of

RONALD GLIBBERY

Sworn June 2, 2020

DocuSigned by:

Nicholas Avis

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Commissioner for Taking Affidavits

Court File No./N° du dossier du greffe: CV-20-00639269-0000

Court File No.

Electronically issued
Délivré par voie électronique : 08-Apr-2020
Toronto

ONTARIO
SUPERIOR COURT OF JUSTICE

(Court Seal)

UBIQUITI NETWORKS CANADA INC.

Plaintiff

and

PERASO TECHNOLOGIES INC., BILL McLEAN, IMED ZINE, RIAD ZINE, JIM WHITAKER, SHAWN ABBOTT, DAVID ADDERLY, RONALD GLIBBERY, ROADMAP CAPITAL INC., ROADMAP CAPITAL GENERAL PARTNER LTD., AS THE GENERAL PARTNER OF ROADMAP INNOVATION FUND I, ROADMAP PERASO LP, ROADMAP PERASO LP (US AND OFFSHORE), ROADMAP PERASO LP II, ROADMAP PERASO LP II (US AND OFFSHORE), and ROADMAP CAPITAL MANAGEMENT LIMITED, AS MANAGER OF ROADMAP INNOVATION FUND II

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANTS

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date April 7, 2020 Issued by ______________________
Local Registrar

Address of court office: Superior Court of Justice
330 University Avenue, 8th Floor
Toronto ON M5G 1R7

TO:

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BILL McLEAN
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85259-2247

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ROADMAP CAPITAL GENERAL PARTNER LTD.
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ROADMAP INNOVATION FUND I
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ROADMAP PERASO LP
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SHAWN ABBOT
305 Pinnacle Ridge Place
Calgary, Alberta

DAVID ADDERLY
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Ottawa, Ontario

RONALD GLIBBERY
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Toronto, Ontario M5N 1N5

CLAIM

1. The Plaintiff claims as against the Defendants:

(a) a declaration that the Defendants' actions as described herein amount to oppression pursuant to section 248 of the Ontario *Business Corporations Act* ("**OBCA**");

(b) a declaration that Peraso Technologies Inc.'s ("**Peraso**") shareholder meeting held on March 12, 2020, and any and all votes taken, and resolutions approved, at that meeting are void;

(c) an Order setting aside any shareholder resolution having the effect of approving the Transactions (as defined herein) passed at the March 12, 2020 shareholder meeting;

(d) in the alternative to (c):

(i) an Order setting aside the conversion of the Class C Series 1 preferred shares held by Ubiquiti Networks Canada Inc. and any amendments to the Articles and USA (as those terms are defined herein) related to such conversion; and

(ii) an Order setting aside the terms concerning repayment of multiples of the principal and interest on the Notes on a Liquidation Event (as defined herein);

(e) in the alternative to (d), damages in a sum to be determined at trial corresponding to the distributions the Plaintiff would be entitled to if its Class C preferred shares had not been involuntarily converted to common shares and the reduction in value in the securities held by the Plaintiff caused by the Defendants actions described herein;

(f) costs on a substantial indemnity scale; and

(g) such further and other relief as counsel may advise and/or this Honourable Court may permit to remedy the acts of oppression found against all, or some, of the Defendants and breaches of the USA (as defined herein).

The Parties

2. The Plaintiff Ubiquiti Networks Canada Inc. ("**Ubiquiti Canada**") is a wholly owned subsidiary of Ubiquiti Inc. ("**Ubiquiti**").

3. Ubiquiti Canada is a corporation incorporated under the laws of Ontario with its registered office located at Toronto, Ontario.

4. Through Ubiquiti Canada, Ubiquiti carries on business in Ontario and elsewhere in Canada.

5. Ubiquiti develops and markets professional network hardware and software that is used to create networking infrastructures throughout the world. It further develops and manufactures next generation consumer electronics for home and personal use.

6. The Defendant Peraso is a corporation incorporated under the laws of Ontario with its head office located at Toronto, Ontario.

7. Peraso develops and manufactures semiconductors, specializing in developing circuits for the wireless marketplace.

8. The Defendant Bill McLean was Peraso's President and CEO and the Chairman of Peraso's Board of Directors until the end of February 2020. Mr. McLean is also a Peraso shareholder. He resides in Arizona in the United States.

9. Peraso is principally funded through investments by venture capital firms.

10. The Defendant Roadmap Capital Inc. ("**Roadmap**") is a venture capital firm headquartered in Toronto, Ontario. It holds warrants to purchase Peraso common shares. It is the manager of the Defendant Roadmap Capital General Partner LTD, which is the general partner of the Defendants Roadmap Innovation Fund I, Roadmap Peraso LP (US and Offshore), Roadmap Peraso LP II, Roadmap Peraso LP II (US and Offshore), Roadmap Innovation Fund II, and Roadmap Innovation Fund (US and Offshore), each of which are Peraso shareholders along with the Defendant Roadmap Innovation Fund II (collectively, the "**Roadmap Investor Funds**"). The Defendant Roadmap Capital Management Limited is the manager of Roadmap Innovation Fund II. Roadmap, the Roadmap Investor Funds and Roadmap Capital Management Limited are collectively hereafter referred to as the "**Roadmap Defendants**".

11. The Defendants Imed Zine and Riad Zine are principals of Roadmap and Peraso directors. Both individuals reside in Toronto, Ontario.

12. The Defendant Jim Whitaker is an individual residing in Toronto, Ontario. Mr. Whitaker was a member of Peraso's Board of Directors until he resigned from the board on or about the end of February 2020. He is the Managing Partner of VL Advisors, Inc., which is the Manager and Investment Advisor of Venturelink Innovation Fund Inc. ("**Venturelink**"). Venturelink is a shareholder of Peraso.

13. The Defendant Shawn Abbott is an individual residing in Toronto, Ontario. Mr. Abbott was a member of Peraso's Board of Directors until he resigned from the board on or about the end of

February 2020. Mr. Abbott is the Vice President of iNovia Capital, Inc., which is the general partner of iNovia Management II Limited Partnership, which is the general partner of iNovia Investment Fund II, Limited Partnership, iNovia Investment Fund II-A, Limited Partnership, iNovia Investment Fund II-B, Limited Partnership, iNovia Peraso SPV, Limited Partnership, and iNovia Peraso SPV (International), Limited Partnership (collectively, "**iNovia**"). iNovia is a shareholder of Peraso.

14. The Defendant David Adderly is an individual residing in Toronto, Ontario. Mr. Adderly is a member of Peraso's Board of Directors. He is also the President of Celtic-CGI SPV GP Inc., which is the general partner of Celtic GCI SPV LP I, the President of Celtic House General Partner (Fund III)(U.S.) Inc., which is the general partner of Celtic House Venture Partners Fund III (U.S.) L.P., the President of Celtic House SPV II LP, which is the general partner of Celtic House SPV II LP, and a partner in Celtic House General Partner (Fund III) Inc., which is the general partner of Celtic House Venture Partners Fund III L.P. (collectively, "**Celtic**"). Celtic is a shareholder of Peraso.

15. The Defendant Ronald Glibbery is an individual resident in Toronto, Ontario. Mr. Glibbery is the founder of Peraso and a member of Peraso's Board of Directors. Mr. Glibbery is associated with The Glibbery Family Trust, which is a shareholder of Peraso.

Ubiquiti Canada Becomes a Peraso Shareholder in Conjunction with the Licence Agreement

16. On December 21, 2018, Ubiquiti and Peraso entered into a License and Development Agreement (the "**License Agreement**"). Pursuant to the License Agreement, Peraso agreed to develop certain chipsets exclusively for Ubiquiti.

17. Concurrent with the License Agreement, Ubiquiti Canada entered into a subscription agreement (the "**Subscription Agreement**") for Peraso Class C Series 1 convertible preferred shares ("**Class C Preferred Shares**").

18. Ubiquiti Canada made an investment of US$5,000,000 in Peraso for 4,583,164 Class C Preferred Shares (with the exchange rate calculated as set forth in the Subscription Agreement).

19. Pursuant to the Subscription Agreement, the purchase price per Class C Preferred Share was set at CDN$1.4790.

20. Ubiquiti Canada agreed to make certain additional equity investments in Peraso if, and when, certain development milestones were achieved by Peraso as set forth in the License Agreement.

Eighth Amended and Restated Unanimous Shareholders' Agreement ("USA")

21. As part of Ubiquiti Canada's investment in Peraso, Peraso, Ubiquiti Canada, the Roadmap Defendants and Peraso's other shareholders became parties to the USA.

22. Each of the Roadmap Defendants, VentureLink, iNovia and Celtic covenanted under the USA to cause their respective board nominees (the Defendants Imed Zine, Riad Zine, Jim Whittaker, Shawn Abbott and David Adderly) to act in accordance with the USA.

23. The Defendant Ron Glibbery also personally covenanted under the USA to take such steps as necessary to cause the Glibbery Family Trust to comply with the USA.

24. The USA conferred various specific rights and benefits to Ubiquiti Canada, including:

(a) The right to have an observer ("**Ubiquiti Observer**") attend all meetings of the Peraso board and any committees thereof, including the right to: (i) receive all notices of meetings and all other notices provided to members of the Peraso board, and (ii) receive all written information provided to the board or any committee thereof, which information shall be provided to the Ubiquiti Observer concurrently with the provision of such information to the board or the applicable committee thereof (collectively, "**Ubiquiti Observer Rights**").

(b) A covenant by Peraso not to issue or sell any Class C Preferred Shares to anyone carrying on business in the same general industry in which Ubiquiti carries on business.

(c) A right of first refusal ("**ROFR**") in the event Peraso or any shareholder receives from any person (including any shareholder) a bona fide, arm's length written offer or written proposal to enter into or concerning any possible Sale Transaction (as defined in section 6.7 of the USA) should Qorvo International Pte. Ltd. (another Peraso shareholder) not exercise its ROFR within the specified period of time.

(d) A covenant requiring an acquiror of Peraso to assume Peraso's obligations and rights under the License Agreement.

(e) The prohibition of any amendment or waiver of various provisions in the USA including:

(i) Any of the foregoing rights and benefits.

(ii) Removal of any Class C Preferred Shares issued or issuable pursuant to the Subscription Agreement from the definition of "Permitted Additional Securities" under the USA.

Rights to Class C Preferred Shares under Peraso's Articles

25. In accordance with Peraso's Articles of Amendment dated March 2, 2016 ("**Articles**"), Peraso's various classes of preferred shares (Class A, Class B and Class C) were entitled to preferred dividends, liquidation priorities and other financial consideration greater than Peraso's common shares.

26. Although Peraso's Class C Preferred Shares rank on a parity basis with every other class of preferred shares in terms of priority of payment of dividends and in the distribution of assets in the event of the voluntary or involuntary liquidation, dissolution or winding up of Peraso, the payments or distributions to Class C Preferred Shares are calculated based on a higher "original issue price" (as that term is defined in the USA) than the Class A or Class B preferred shares.

27. Specifically, preferred shares are entitled to distributions of an amount for each preferred share equal to the applicable original issue price, which is higher for Class C Preferred Shares than Class A or Class B preferred shares.

Peraso's Insolvency

28. By the Fall of 2019, Peraso's financial position had deteriorated to near or actual insolvency, and it needed further capital in 2020 to continue to operate.

29. Peraso began to explore a sale of Peraso to a third-party purchaser (the "**Sale Transaction**").

30. By early December 2019, Peraso's President and CEO, Bill McLean, forecasted that Peraso would need $20 million in new funding to achieve a cash positive position in 2021.

31. In fact, during December 2019 and the first two months of 2020, Peraso's directors were made aware by Mr. McLean, on more than one occasion, that if the Sale Transaction did not

proceed, Peraso would "need to shut the company down" and "Peraso will not be able to continue operations."

32. The Sale Transaction was contingent on the buyer not assuming Peraso's exclusivity obligations under the License Agreement, as otherwise required under the USA. Ultimately the Sale Transaction did not proceed much beyond the delivery in late January 2020 of a non-binding, one-and-a-half-page Indication of Interest with material terms remaining to be negotiated.

33. As described below, Peraso warned shareholders on or about March 2, 2020 that Peraso would need to file for bankruptcy, receivership or insolvency unless the reorganization of Peraso's class of shares was approved by shareholders.

Board Observer Rights Breached

34. The Roadmap Defendants had the greatest exposure relative to Peraso's other shareholders should Peraso file for bankruptcy or protection from its creditors.

35. The family trust and other venture capital funds related to the Peraso board members also faced losses if Peraso filed for bankruptcy or protection from its creditors.

36. Consequently, beginning in mid October 2019, while serving as Peraso directors, the Defendants Bill McLean, Imed Zine, Riad Zine, Jim Whittaker, Shawn Abbott, David Adderly and Ron Glibbery (the "**Director Defendants**") exercised their judgment putting priority over their own personal interests and those of the family trusts or venture capital funds they were associated with ahead of the best interests of Peraso and its full complement of stakeholders, including Ubiquiti Canada.

37. Specifically, contrary to the terms of the USA, beginning in mid-October 2019, the Director Defendants intentionally directed or acquiesced in Peraso ceasing to provide notice of board and

committee meetings, and all related information supplied to directors, to the Ubiquiti Observer in breach of the Ubiquiti Observer Rights under the USA.

38. Peraso and each of the shareholders for whom the Director Defendants were nominees had agreed to be bound by the obligations under the USA and to take steps to comply with those terms. Despite these obligations, the Director Defendants did not comply with the observer obligations granted to Ubiquiti Canada in the USA.

39. Peraso and the Director Defendants hid from the Ubiquiti Observer discussions regarding terms for the reorganization of Peraso's share capital involving the issuance of convertible notes and other matters. These efforts were aimed at improving the position of the Roadmap Defendants and those other shareholders for whom the Director Defendants were nominees relative to Ubiquiti Canada if Peraso became bankrupt or otherwise subject to protection from its creditors.

40. The Defendants breached the Ubiquiti Observer Rights under the USA in order to deny Ubiquiti Canada the information which it would otherwise be entitled so that Ubiquiti Canada would be unable to oppose, or would be materially hindered in opposing, such efforts, including by presenting alternative proposals to Peraso's shareholders and other stakeholders than those being advanced by the Defendants.

41. The Defendants' actions in breaching the Ubiquiti Observer Rights under the USA were not only a breach by Peraso, the Roadmap Defendants and Glibbery of their contractual obligations under the USA but also constitute oppressive conduct by each of the Defendants that was unfairly prejudicial to Ubiquiti Canada. Ubiquiti Canada had the reasonable expectation that the terms of the USA would be adhered to.

42. Furthermore, by deliberately excluding the Ubiquiti Observer from Board meetings and information provided to directors, the Defendants unfairly disregarded Ubiquiti Canada's reasonable expectation that Peraso and its board would explore reasonably available alternatives in the circumstances, including alternatives that could be proposed by Ubiquiti Canada as a shareholder and by Ubiquiti as a material customer of Peraso.

43. The Defendants are liable to Ubiquiti Canada for any reduction in distributions to Ubiquiti Canada and value in the Peraso securities it now holds caused by the Transactions (as defined below) if the Transactions are not otherwise set aside herein by the Court.

Secured Convertible Notes

44. On March 2, 2020, Peraso emailed to shareholders a Notice of Special Meeting of Shareholders (the "**Notice**") to be held on March 12, 2020 at 8:00 a.m. Included with the Notice was a Management Information Circular and Form of Proxy.

45. The Notice stated that the meeting was to consider and vote on a special resolution to approve a series of transactions (the "**Transactions**") consisting of:

(a) An offering by Peraso (the "**Offering**") of a maximum of US$15,000,000 in aggregate of secured convertible notes (the "**Notes**").

(b) Amendments to the Articles to reflect the conversion of all preferred shares to common shares based on a 1:1 conversion ratio of common shares for Class A or Class B preferred shares and a conversion ratio of 1.479 common shares for each Class C preferred share. The conversion ratios correspond to the original issue price paid by the preferred shareholders for the applicable preferred share, which in the case of Ubiquiti Canada was $1.479 per Class C Preferred Share.

(c) An amendment to the USA to reflect that (i) the Peraso board shall consist of a minimum of five and a maximum of seven directors, of which four of such directors will be nominees of Roadmap; and (ii) any required shareholder approval include the approval of any subscriber pursuant to the Offering that subscribes for a minimum US$3,000,000 principal of the Notes.

46. Roadmap, through certain of the Roadmap Investment Funds, is the only person who has subscribed to the Notes. It has subscribed for only $3,885,000 of the Notes.

47. The additional capital raised from Roadmap through the Offering is insufficient for Peraso to continue operations beyond a few months. Rather, what the Transactions have achieved is to effect a *de facto* change in control in Peraso and put Roadmap in a preferred position both in terms of acquiring Peraso or should Peraso become bankrupt.

48. The Transactions were pursued at the urging of Roadmap.

Calling of Shareholder Meeting Invalid

49. Prior to the Peraso board's approval of the Transactions and the Notice and Management Information Circular (the "**Circular**"), the Defendants Bill McLean, Jim Whittaker and Shawn Abbott resigned as directors.

50. Hence, Peraso lacked the minimum number of directors (five) required under the USA for board actions. The approval of the Notice and Management Information Circular by the Peraso board was consequently void. Peraso's board could not validly take any actions while it lacked the minimum required number of Board members.

51. As such, the shareholders' meeting and any resolutions or other business conducted thereat were invalid.

Circular Fails to Disclose Material Information and Misrepresents Available Options

52. The Notice and Circular falsely represented to shareholders that, "If the necessary approvals are not received, then the Corporation will need to make the necessary filings for bankruptcy, receivership or insolvency."

53. Before approving the Circular and causing it to be sent to shareholders, Peraso and its remaining directors, Imed Zine, Riad Zine, David Adderly and Ron Glibbery (the "**Remaining Peraso Directors**"), half of whom were nominees and officers of the Roadmap Defendants, were aware that Ubiquiti Canada had offered to make a bridge loan to Peraso that would allow it to continue operations while Ubiquiti and/or Ubiquiti Canada conducted due diligence to thereafter make an offer to purchase Peraso or to propose some other strategic alternative that would allow Peraso to continue operations.

54. Contrary to their obligations to disclose all material information for shareholders in the Circular, Peraso and the Remaining Peraso Directors intentionally withheld from the Circular Ubiquiti Canada's loan offer as an alternative to the Transactions. Instead, they misrepresented to shareholders that the only alternative to the Transactions was for Peraso to file for bankruptcy.

55. Furthermore, the Notice was sent intentionally with only the bare minimum notice period (10 days) permitted under the OBCA. In so doing, the Notice made no allowance for the prescribed time and procedure under the OBCA for Ubiquiti Canada or any other shareholder to submit a proposal to Peraso to be raised before the deadline for the return of proxies for the meeting.

56. Despite these measures to prevent, or at least severely hinder, Ubiquiti Canada's ability to raise alternatives to the Transactions, consistent with its prior offer of a bridge loan, Ubiquiti Canada delivered to Peraso and the Remaining Peraso Directors an advanced draft of a loan agreement with customary business terms on March 11, 2020.

57. Peraso and the Remaining Peraso Directors failed to disclose to shareholders that Ubiquiti Canada had offered and delivered a proposed loan agreement as an alternative to the Transactions.

58. No efforts were made by Peraso or the Remaining Peraso Directors to engage in discussions with Ubiquiti Canada or Ubiquiti to finalize the loan agreement.

59. Ubiquiti Canada's loan offer was a material fact that was required to have been disclosed to shareholders in advance of shareholders being asked to vote on the Transactions.

60. Peraso and the Remaining Peraso Directors intentionally withheld that material fact from shareholders.

Circular Fails to Disclose Material Effects of the Transactions

61. The terms for the Notes provided that in the event of the liquidation, dissolution or winding up of Peraso or a Change of Control Event (as that term is defined in the Articles) (collectively, a "**Liquidation Event**") prior to the conversion or repayment of the Notes, Peraso was obliged to pay between two and three times the principal and all accrued but unpaid interest then outstanding on the Notes.

62. Although the Circular disclosed the foregoing, it failed to disclose to shareholders that the foregoing terms constituted:

(a) an illegal rate of interest upon a Liquidation Event occurring before the principal was repaid;

(b) a preference to Roadmap over creditors; and

(c) a *de facto* “poison pill” discouraging any offers to purchase Peraso while the Notes remain outstanding, placing Roadmap in a preferential position to acquire Peraso without competing offers.

63. The Circular further failed to disclose that the proposed amendments to the USA had the effect of a change of control giving *de facto* control over Peraso to Roadmap through changes to director composition and the requirements for shareholder approval, including effectively giving Roadmap a veto.

Amendment to Class C Preferred Share Conversion Rate on the Eve of Meeting

64. Following Ubiquiti Canada delivering to Peraso and the Remaining Peraso Directors the loan agreement, Peraso and the Remaining Peraso Directors chose to amend the resolution that would be presented to shareholders to vote on at the shareholder meeting. However, the amendment was not to disclose Ubiquiti Canada’s loan offer but instead to materially reduce the conversion ratio that would apply to the preferred shares held by Ubiquiti Canada.

65. Specifically, the amended resolution now reduced the conversion ratio that would apply to the Class C Preferred Shares to 1.25 common shares for each Class C Preferred Share. Initially, the Notice disclosed a conversion ratio of 1.4790 common shares for each Class C Preferred Share.

66. The effect of the amendment was to convert Ubiquiti Canada’s Class C Preferred Shares at less than their original purchase price (and lower than their current value), whereas all other preferred shareholders would be converted based on the corresponding original purchase price or higher.

67. An amended and restated term sheet for the Notes ("**Amended Term Sheet**") was delivered by email to shareholders after 5 p.m. the day before the shareholder meeting was scheduled to take place at 8 a.m.

68. Furthermore, the Amended Term Sheet was delivered one day after the deadline for delivery of all proxies.

69. No indication was given to shareholders as to what was amended in the Amended Term Sheet, nor was any explanation provided to shareholders as to the reason for the amendment or its impact.

70. The amendment was a material amendment to the Transactions. Insufficient notice and disclosure were provided to shareholders of what would now be the subject matter of the vote at the shareholder meeting.

71. The Amended Term Sheet was circulated after Ubiquiti Canada had delivered the proposed loan agreement to Peraso and the Remaining Peraso Defendants. Peraso and the Remaining Peraso Directors both failed to disclose that a loan from Ubiquiti Canada was available as an alternative to the Transactions, and further falsely represented to shareholders that the only alternative to the Transactions was a filing for bankruptcy. In truth, Ubiquiti Canada's loan offer would allow Peraso to continue to operate and meet its ongoing obligations while the possibility of a sale or other strategic transaction with Ubiquiti and/or Ubiquiti Canada was explored.

72. The failure to give timely and accurate disclosure to shareholders in advance of the meeting renders any vote at the shareholder meeting void.

73. Notwithstanding the foregoing, the Defendants have taken the position that the meeting and vote to approve the Transactions is valid. The Defendants have commenced steps to put into effect the changes to the USA and Articles.

Additional Breaches to the USA

74. Among the changes the Defendants have made to the USA are changes that pursuant to the USA can only be made with Ubiquiti Canada's written consent, which has not been provided.

75. Specifically, in breach of the USA, the Defendants have removed from the amended USA:

(a) the covenant not to issue or sell any Class C preferred shares to anyone carrying on business in the same general industry in which Ubiquiti carries on business, and each of its current and former parents, subsidiaries and affiliates.

(b) Class C preferred shares from the definition of "Permitted Additional Securities" under the USA.

76. These covenants had the effect of prohibiting the involuntary conversion of Ubiquiti Canada's Class C Series Preferred Shares to common shares without its consent. Alternatively, they reasonably gave rise to an expectation that Ubiquiti Canada's consent would be required to eliminate that class of shares.

77. Hence, it is contrary to both the terms of the USA and Ubiquiti Canada's reasonable expectation for Peraso to convert the Class C Preferred Shares to common shares without Ubiquiti Canada's consent.

Causes of Action

78. Ubiquiti Canada reasonably expected that the terms under the USA would be complied with and that Peraso and its directors would act in compliance with the OBCA and corporate law more generally.

79. Peraso, the Roadmap Defendants and Glibbery breached their obligations under the USA to (a) give effect to Ubiquiti's Observer Rights and (b) obtain Ubiquiti Canada's consent to both

convert Class C Preferred Shares to common shares and make the noted amendments to the USA.

80. The Director Defendants acted in an oppressive manner in failing to consider reasonably available alternatives to Peraso's liquidity problems by withholding from Ubiquiti Canada information to which it was otherwise entitled.

81. The Director Defendants further ceased acting in the best interests of Peraso and instead acted with a view to their own personal or their nominees' individual interests. In exercising their director duties in furtherance of their own personal or their nominees' best interests, the Director Defendants carried out their director functions in an oppressive manner contrary to Ubiquiti Canada's reasonable expectation that the Director Defendants would act at all times in the interests of Peraso and in compliance with the terms of the USA.

82. Peraso, the Roadmap Defendants and Glibbery are in breach of the USA in purporting to take board action without the minimum number of board members required. Peraso and the Remaining Peraso Directors further acted in an oppressive manner in proceeding with purported board actions without the minimum number of board members required under the USA.

83. Peraso and the Remaining Peraso Directors are in breach of their obligations under the OBCA and corporate law to have provided timely notice and full disclosure of material facts, including alternatives to the Transactions, in relation to the resolution placed before Peraso shareholders on March 12, 2020. Instead, the Circular misrepresented that bankruptcy was the only alternative to the Transactions.

84. The Plaintiff pleads and relies on sections 96(a) and 96(6) of the OBCA as to the requirements for notice and disclosure for shareholder meetings, which were breached by the Defendants for the reasons set forth above.

85. The Remaining Peraso Directors have further engaged in oppressive conduct in purportedly approving the Notes which contain punitive and unusual terms triggered on a Liquidation Event, which terms effectively operate as a poison pill to deter any sale proposal that will give rise to a change of control from the *de facto* control Roadmap obtained under the Transaction and further placing Roadmap in a preferred position to acquire Peraso.

86. Peraso, the Roadmap Defendants and Glibbery have breached the USA in converting the Class C Series Preferred Shares held by Ubiquiti Canada and otherwise making changes to the USA without Ubiquiti Canada's consent.

87. In the alternative, the actions of Peraso and the Remaining Peraso Directors directed at converting Ubiquiti Canada's Class C Series Preferred Shares to common shares without Ubiquiti Canada's consent and/or at a conversion rate below the original issue price of $1.4790 per share was an oppressive act that unfairly disregarded Ubiquiti Canada's reasonable expectation that its Class C Preferred Shares would not be converted without its consent and that any conversion would be on reasonable terms.

88. The Plaintiff further pleads and relies on section 347(s) of the *Criminal Code* and section 4 of Ontario's *Assignments and Preferences Act*.

89. Service of this Statement of Claim outside of Ontario is permitted pursuant to Rules 17.02(f), (n) and (p) of the *Rules of Civil Procedure*. The USA is governed by Ontario law.

90. The Plaintiff proposes the trial of this Action take place in Toronto, Ontario.

April 7, 2020

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UBIQUITI NETWORKS CANADA INC. -and- PERASO TECHNOLOGIES INC. et al

Plaintiff Defendants

Court File No.

ONTARIO

SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

STATEMENT OF CLAIM

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Lawyers for the Plaintiff

EXHIBIT "E"

EXHIBIT "E"

referred to in the Affidavit of

RONALD GLIBBERY

Sworn June 2, 2020

DocuSigned by:

Nicholas Avis

2C12EFAB5242430...

Commissioner for Taking Affidavits

Court File No.: CV-20-00639269-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N :

UBIQUITI NETWORKS CANADA INC.

Plaintiff

\- and -

PERASO TECHNOLOGIES INC., BILL McLEAN, IMED ZINE, RIAD ZINE, JIM WHITAKER, SHAWN ABBOTT, DAVID ADDERLY, RONALD GLIBBERY, ROADMAP CAPITAL INC., ROADMAP CAPITAL GENERAL PARTNER LTD., AS THE GENERAL PARTNER OF ROADMAP INNOVATION FUND I, ROADMAP PERASO LP, ROADMAP PERASO LP (US AND OFFSHORE), ROADMAP PERASO LP II, ROADMAP PERASO LP II (US AND OFFSHORE), and ROADMAP CAPITAL MANAGEMENT LIMITED, AS MANAGER OF ROADMAP INNOVATION FUND II

Defendants

STATEMENT OF DEFENCE

1. The defendants Peraso Technologies Inc. (**"Peraso"**), William Alexander McLean, Imed Zine-El-Abidine, Riadh Zine-El-Abidine, Jim Whitaker, Shawn Abbott, David Adderley, Ronald Glibbery (together, the **"Director Defendants"**), Roadmap Capital Inc., Roadmap Capital General Partner Ltd., as the General Partner of Roadmap Innovation Fund I, Roadmap Peraso LP, Roadmap Peraso LP (US and Offshore), Roadmap Peraso LP II, Roadmap Peraso LP II (US and Offshore), and Roadmap Capital Management Limited, as manager of Roadmap Innovation Fund II (together, the **"Roadmap Defendants"**) admit the allegations contained in paragraphs 2, 3, 5, 6, 7, 8 (first and third sentences only), 9, 10 (first sentence only), 11, 12, 13 (first and second sentences only), 14 (first and second sentences only), 15, 18, 20, 21, 28, 29, and 49 of the statement of claim.

2. As to paragraphs 16, 17 and 21 to 24, Peraso, the Director Defendants and the Roadmap Defendants (together, the "**Defendants**") acknowledge that:

(a) Peraso and Ubiquiti Networks, Inc. (now Ubiquiti Inc.) (**"Ubiquiti"**) entered into a License and Development Agreement, dated December 21, 2018 (the **"License Agreement"**);

(b) Peraso and Ubiquiti Networks Canada Inc. (**"Ubiquiti Canada"**) entered into a Class C Series 1 Convertible Preferred Share Subscription Agreement, dated December 21, 2018 (the **"Subscription Agreement"**); and

(c) Peraso and its shareholders entered into an Eighth Amended and Restated Unanimous Shareholders Agreement, dated December 21, 2018 (the **"Eighth USA"**);

but in each such case, the Defendants plead and rely on the terms of such agreements and not the characterizations set out in the statement of claim.

3. Unless otherwise expressly admitted herein, the Defendants deny, or have no knowledge of, all other allegations contained in the statement of claim. In particular, the Defendants deny that the Plaintiff is entitled to any of the relief set forth at paragraph 1 of the statement of claim.

The Parties

4. Ubiquiti Canada is a corporation incorporated under the laws of Ontario with a registered head office at 141 Adelaide Street West, Suite 701, Toronto, Ontario M5H 3L5. Ubiquiti Canada is a wholly owned subsidiary of Ubiquiti, a publicly traded corporation (NYSE:UI) incorporated under the laws of Delaware having a place of business at 685 Third Ave, 27th Floor, New York, NY 10017. Ubiquiti develops technology platforms for high-capacity distributed internet access, unified information technology, and next-generation consumer electronics for home and personal use and sells equipment and software through a network of distributors.

5. Peraso is a corporation incorporated under the laws of Ontario with a registered head office at 144 Front Street West, Suite 685, Toronto, Ontario M5J 2L7. Peraso is a

fabless[1] semiconductor[2] company specializing in the development of integrated circuits for the 60 GHz marketplace for mobile devices, including smartphones, tablets, and digital cameras. Peraso is a venture capital funded company.

6. William Alexander McLean is an individual residing in Scottsdale, Arizona and is a former member of the Board of Directors and the former President and CEO of Peraso. Mr. McLean resigned from the Board of Directors and as President and CEO of Peraso on or around February 28, 2020.

7. Imed Zine-El-Abidine is an individual residing in Toronto, Ontario. Mr. I. Zine-El-Abidine is a member or the Board of Directors of Peraso and a member of the Board of Directors of Roadmap Capital Inc.

8. Riadh Zine-El-Abidine is an individual residing in Toronto, Ontario. Mr. R. Zine-El-Abidine is a member of the Board of Directors of Peraso and Chairman of the Board of Directors of Roadmap Capital Inc.

9. Jim Whitaker is an individual residing in Toronto, Ontario and is a former member of the Board of Directors of Peraso. Mr. Whitaker resigned from the Board of Directors of Peraso on or around February 28, 2020.

10. Shawn Abbott is an individual residing in Calgary, Alberta and is a former member of the Board of Directors of Peraso. Mr. Abbott resigned from the Board of Directors of Peraso on or around February 28, 2020.

11. David Adderley is an individual residing in Ottawa, Ontario. Mr. Adderley is a member of the Board of Directors of Peraso.

12. Ronald Glibbery is an individual residing in Toronto, Ontario. Mr. Glibbery is a member of the Board of Directors of Peraso. Following Mr. McLean's resignation, Mr. Glibbery became Peraso's interim CEO.

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[1] "Fabless" means that the fabrication of silicon wafers (or chips) used in Peraso's products is outsourced to a plant or foundry.

[2] A semiconductor is a material product usually comprised of silicon, which conducts electricity more than an insulator, such as glass, but less than a pure conductor, such as copper or aluminum. Nearly any device that is computerized or that uses radio waves depends on semiconductors to function.

13. Roadmap Capital Inc. is a corporation incorporated under the laws of Canada with a registered head office at 130 Bloor Street West, Suite 603, Toronto, Ontario M5S 1N5. Roadmap Capital Inc. is an investment management services firm that carries on business through various affiliates.

14. Roadmap Capital Management Ltd. and Roadmap Capital General Partner Ltd. are affiliates of Roadmap Capital Inc. Roadmap Capital General Partner Ltd. is general partner of Roadmap Innovation Fund I, Roadmap Innovation Fund II, Roadmap Peraso LP, Roadmap Peraso LP (US and Offshore), Roadmap Peraso LP II, and Roadmap Peraso LP II (US and Offshore).

15. Of the Roadmap Defendants, at the time that the Eighth USA was entered into, only Roadmap Innovation Fund I, Roadmap Peraso LP, Roadmap Peraso LP (US and Offshore), Roadmap Peraso LP II, Roadmap Peraso LP II (US and Offshore) and Roadmap Innovation Fund II held shares of Peraso. None of the Roadmap Defendants that is a shareholder of Peraso is an "affiliate" of Peraso as defined in the Ontario *Business Corporations Act,* RSO 1990, c B.16 (**"OBCA"**).

December 2018: The Peraso-Ubiquiti Transaction

16. On December 21, 2018, Peraso and Ubiquiti entered into a License Agreement, which was part of a larger transaction (the **"Peraso-Ubiquiti Transaction"**) whereby Peraso and Ubiquiti and Ubiquiti Canada (or their affiliates) also entered into the following agreements:

(a) the Subscription Agreement;

(b) the Letter Agreement in respect of Class C Series 1 Convertible Preferred Share Subscription Agreement, dated December 21, 2018; and

(c) the Master Purchase and Supply Agreement between Peraso and Ubiquiti Cayman Limited, dated December 21, 2018.

17. Under the License Agreement, Peraso agreed to develop certain chipsets to Ubiquiti's specifications. A chipset is a set of electronic components which consists of at least one radio device, one baseband device, and, typically, an antenna. The License

Agreement also included an exclusivity clause that provided, with few exceptions, that Peraso would refrain from manufacturing, distributing, offering or selling any of the licensed chipsets covered by the License Agreement to anyone other than Ubiquiti or its affiliates.

18. Peraso's progress under the License Agreement was measured by three milestones (the **"First, Second, and Third Tranche Development Milestones"** or the **"Tranche Development Milestones"**). Upon satisfaction of the Tranche Development Milestones, Ubiquiti would cause Ubiquiti Canada to purchase certain amounts of Class C Series 1 Convertible Preferred Shares (**"Class C Shares"**) of Peraso pursuant to the Subscription Agreement.

19. The Tranche Development Milestones and the corresponding obligations of Ubiquiti and Ubiquiti Canada under the Subscription Agreement were material aspects of the Peraso-Ubiquiti Transaction. They established the sequence of the work to be performed by Peraso and provided a predictable flow of capital to Peraso.

20. The First Tranche Development Milestone had been satisfied at the time Peraso and Ubiquiti entered into the License Agreement on December 21, 2018. Such satisfaction was memorialized in section 2.1(i) of the License Agreement. Accordingly (and in connection with the closing of the Peraso-Ubiquiti Transaction), on December 21, 2018, Ubiquiti Canada purchased 4,583,164 Class C Shares of Peraso for USD $5,000,000 (representing a price per share of USD $1.4790) pursuant to section 2.1(a) of the Subscription Agreement and entered into the Eighth USA.

Ubiquiti Canada's Class C Shares

21. In connection with the Peraso-Ubiquiti Transaction and Ubiquiti Canada's purchase of 4,583,164 Class C Shares of Peraso, Peraso, Ubiquiti Canada, and the other shareholders of Peraso entered into the Eighth USA.

22. The Class C Shares rank *pari passu* with every other every other class[3] of preferred shares of Peraso with respect to priority in payment of dividends and the

[3] The classes of preferred shares of Peraso are set out in the Amended and Restated Articles of Incorporation of Peraso, dated March 2, 2016 (the "**Articles"**) and include Class A Preferred Shares, Class B Preferred Shares, Class B Series 1 Preferred Shares, Class C Preferred Shares, and Class C Series 1 Preferred Shares (as defined therein).

distribution of assets in the event of the liquidation, dissolution or winding-up of Peraso, whether voluntary or involuntary.

23. That said, section 3(b) of the Articles provides that upon a Liquidation Event (as defined therein) and the distribution of the Preferred Preferential Amount (as defined therein), holders of Class C Shares shall receive an aggregate amount equal to three times the Original Issue Price (as defined therein) applicable to each share and holders of Class A Preferred Shares and Class B Series 1 Preferred Shares shall receive an aggregate amount equal to five times the Original Issue Price (as defined therein) applicable to each share. Further, while each of the classes of preferred shares is convertible to common shares of Peraso (**"Common Shares"**) under section 5 of the Articles, the ratio at which conversion occurs is determined by the Original Issue Price (as defined therein) applicable to each share.

24. Contrary to the allegation at paragraph 76 of the statement of claim, nothing in the Eighth USA or anywhere else prohibited the conversion of Ubiquiti Canada's Class C Shares into Common Shares if required in order to conclude a debt financing. The Defendants deny that Ubiquiti and/or Ubiquiti Canada ever reasonably expected that its consent would be required in such circumstances.

25. All shareholders (including Ubiquiti and Ubiquiti Canada) agreed in section 6.9 of the Eighth USA to approve the terms of any equity or debt financing (including, in particular, any changes to the Articles of Peraso required for the purposes of the offering) provided that that the Board of Directors of Peraso and a Preferred Majority of shareholders (as defined in the Eighth USA) approved its terms. All shareholders further waived any right to dissent with respect to any changes to the Articles required for purposes of the offering.

26. Section 6.9 of the Eighth USA provides:

> **If the Board and a Preferred Majority determine that it is in the best interests of the Corporation to proceed with a debt or equity financing of the Corporation (including, without limitation, an Initial Public Offering) (an "Offering"): (i) each of the Shareholders agrees to exercise the votes attaching to its Securities** (including, without limitation, any Securities that are deemed to have been issued to such Shareholder under

> the terms of this Agreement for such purpose) and otherwise provide any consents or approvals required under the Securities and any other securities of the Corporation held by such Shareholder **and to otherwise act to approve any such Offering, including without limitation, approving any required changes or amendments to the Articles (which may include amendments to the capital of the Corporation or amendments to facilitate the issuance or transfer of Securities or other securities of the Corporation under any applicable laws) and this Agreement approved by the Preferred Majority for the purpose of such Offering; and (ii) each Shareholder hereby expressly waives any right to dissent with respect to any changes to the Articles (including, without limitation, any changes described in (i) above) which are required for the purpose of any such Offering**. [Emphasis added]

27. Ubiquiti Canada was not a significant Peraso shareholder. At the time of the Eighth USA, it held 8.8% of the Class C Shares and only 4.4% of the overall equity of Peraso. The following entities held Class C Shares of Peraso in addition to Ubiquiti Canada:

(a) Polar Multi-Strategy Master Fund (4,181,879);

(b) Qorvo International Pte. Ltd. (**"Qorvo"**) (12,203,911);

(c) Celtic House SPV II Limited Partnership (101,419);

(d) CELTIC-GCI SPV LP 1 (2,683,480);

(e) iNovia Investment Fund II, Limited Partnership (363,215);

(f) iNovia Investment Fund II-A, Limited Partnership (49,016);

(g) iNovia Investment Fund II-B, Limited Partnership (94,869);

(h) iNovia Peraso SPV (International), Limited Partnership (676,133);

(i) iNovia Peraso SPV, Limited Partnership (1,014,199) (together with the iNovia entities listed in subparagraphs 27(e) through (h), **"iNovia"**);

(j) Roadmap Peraso LP II (11,931,707);

(k) Roadmap Peraso LP II (US and Offshore) (3,613,474); and

(l) Integrated Device Technology Malaysia Sdn Bhd (4,532,314).

January 2019 – October 2019: Ubiquiti Breaches the License Agreement; Refuses to Fund Peraso

28. The License Agreement provided that the Second Tranche Development Milestone was due on or before January 31, 2019 and the Third Tranche Development Milestone was due on or before October 31, 2019.

29. The work to be completed by Peraso to satisfy the Second and Third Tranche Development Milestones was set out in Appendix 2 to the License Agreement. Section 2.2 of the License Agreement governed the process relating to the satisfaction of the Tranche Development Milestones:

> 2.2. **Peraso will give Customer written notice of when it believes that it has achieved the Second Tranche Development Milestone and, subsequently, the Third Tranche Development Milestones**. Within 30 days of receipt of each such notice, Customer will review and conduct such testing as it reasonably considers necessary in order to determine whether the Acceptance Criteria in respect of the applicable Milestone have been satisfied. At the end of each such 30 days period, **Customer shall provide Peraso with written notice of rejection or acceptance of whether Peraso has demonstrated the satisfaction of the Acceptance Criteria in respect of the Second Tranche Development Milestone and Third Tranche Development Milestone (as applicable) to the reasonable satisfaction of Customer, acting in good faith. If Customer believes, acting reasonably, that the Acceptance Criteria for the applicable Milestone have not been satisfied ("Rejection"), Customer will give Peraso notice in writing setting out in adequate detail the reason for such Rejection ("Notice of Defect"). If a Notice of Defect has been issued by Customer, Peraso shall start to correct the defects identified in such Notice of Defect** within two (2) business days of receipt by Peraso of such Notice of Defect and Peraso will provide an estimate of the time required to correct such defects within seven (7) days of receipt by Peraso of such Notice of Defect while continuing to work on the corrective actions. Peraso shall take into account any feedback provided by Customer in respect of such proposed

> corrective action. Upon completion of such corrective actions by Supplier, Customer shall retest any against the applicable Acceptance Criteria in accordance with the process set out above. The provisions of this section shall be without prejudice to Customer's rights under section 3.5. [Emphasis added]

30. On January 29, 2019, Peraso gave proper notice to Ubiquiti under section 2.2 of the License Agreement that it believed that the Second Tranche Development Milestone had been met. Ubiquiti did not confirm that the acceptance criteria for the Second Tranche Development Milestone had been satisfied, nor did Ubiquiti provide written notice of a rejection setting forth in adequate detail the reason for such rejection. Ubiquiti's failure to give a formal acceptance or rejection of the Second Tranche Development Milestone constituted a breach of the License Agreement.

31. Under the terms of the Subscription Agreement, Ubiquiti was obligated to cause Ubiquiti Canada to purchase USD $2,000,000 Class C Shares of Peraso upon the satisfaction of the Second Tranche Development Milestone. Ubiquiti Canada did not make the USD $2,000,000 investment.

32. Despite Ubiquiti's breach, Peraso continued working towards the Third Tranche Development Milestone in good faith. Peraso expected that, in the absence of a formal acceptance or rejection to the Second Tranche Development Milestone, the requisite investment from Ubiquiti Canada would be forthcoming.

33. From July 2019 through October 31, 2019, Ubiquiti made multiple unilateral requests to change the deliverables and specifications under the License Agreement. Peraso continued to work with Ubiquiti in good faith. Starting on or around August 26, 2019 and continuing until the Third Tranche Development Milestone deadline of October 31, 2019, Ubiquiti demanded that (i) the chipset specifications be changed, and (ii) that it be given joint and equal ownership rights to the intellectual property covered by the License Agreement and any related intellectual property. What Ubiquiti was requesting was outside of the terms of the License Agreement. Nonetheless, Ubiquiti threatened that it would cause Ubiquiti Canada to withhold the Third Tranche Development Milestone investment of USD $8,000,000 if its demands were not met. Peraso never agreed to Ubiquiti's demands.

34. On October 31, 2019, Peraso gave proper notice that it believed that it had achieved the Third Tranche Development Milestone. Accordingly, Ubiquiti had 30 days under section 2.2 of the License Agreement to provide a written notice of rejection or acceptance. Once again, Ubiquiti did not confirm that the acceptance criteria set forth in the License Agreement had been met nor did Ubiquiti provide a written notice of rejection. Ubiquiti's failure to provide the requisite confirmation constituted a breach of the License Agreement. Under the terms of the Subscription Agreement, Ubiquiti was obligated to cause Ubiquiti Canada to purchase USD $8,000,000 Class C Shares of Peraso upon the satisfaction of the Third Tranche Development Milestone. Ubiquiti Canada did not make the USD $8,000,000 investment.

35. Despite failing to comply with section 2.2 of the License Agreement and not making the contemplated USD $10,000,000 investment in Peraso, Ubiquiti ordered 100,000 units of chipsets in February 2020 that met the specifications set forth by the Third Tranche Development Milestone.

December 2019: Ubiquiti Canada's Failure to Fund Pushes Peraso to the Brink of Insolvency

36. As memorialized in the License Agreement and the Subscription Agreement, Peraso expected that if it satisfied the Second Tranche Development Milestone on or before January 31, 2019 and the Third Tranche Development Milestone on or before October 31, 2019 (and did not receive a written notice of rejection) then Ubiquiti Canada would fund Peraso USD $10,000,000 in aggregate in accordance with the Subscription Agreement. This USD $10,000,000 investment was essential for Peraso to continue its operations.

37. Given (i) Ubiquiti's failure to cause Ubiquiti Canada to provide its promised funding upon the achievement of the Second Tranche Development Milestone; (ii) Ubiquiti's threats beginning on or around August 26, 2019 that Ubiquiti Canada would not pay the Third Tranche Development Milestone; and (iii) Peraso's serious concerns about its solvency if the funding promised by Ubiquiti was not provided, Peraso began to explore potential alternative sources of financing on or about October 1, 2019. Peraso informed Ubiquiti of its exploration of financing options, and invited Ubiquiti

(among others) to participate in a term sheet whereby Peraso would issue secured notes (the "**2019 Notes**").

38. In November 2019, Peraso began negotiations with a potential third-party purchaser. While Peraso disclosed these negotiations to Ubiquiti and Ubiquiti Canada in accordance with its contractual rights, the negotiations did not ultimately result in the sale of Peraso.

39. Ubiquiti continued to make ownership demands with respect to Peraso's intellectual property. On or around December 11, 2019, Ubiquiti advised Peraso that it did not believe that Peraso had a viable financing plan and continued to insist that Peraso turn over its intellectual property rights to Ubiquiti. Ubiquiti's position caused the members of the Board of Directors of Peraso to believe that Ubiquiti was holding the financial stability of Peraso hostage in exchange for acquiring the intellectual property rights contemplated in the License Agreement.

40. Accordingly, to avoid insolvency, the members of the Board of Directors of Peraso completed the issuance of the 2019 Notes in the aggregate principal amount of USD $1,748,035.40. The only entities to subscribe to the 2019 Notes were Polar Multi-Strategy Master Fund and entities affiliated with Roadmap Capital Inc. The 2019 Notes carry an interest rate of 6% per annum and mature on December 31, 2023 (the 2019 Notes originally matured on June 30, 2025 but their terms were amended on March 13, 2020).

41. Despite having the right to participate in the 2019 Notes, Ubiquiti declined to do so.

February 2020: Ubiquiti Sues Peraso in New York

42. On December 11, 2019, Peraso sent a written notice of default to Ubiquiti, demanding cure of its defaults, including those under section 2.2 of the License Agreement, within 30 days. Ubiquiti did not cure the defaults and on January 16, 2020, Peraso terminated the License Agreement.

43. Following the termination, Peraso began exclusivity negotiations with a potential third-party purchaser on January 27, 2020. That same day, Peraso provided notice to Ubiquiti that its contractual right of first refusal had been triggered.

44. On February 6, 2020 Peraso and the potential third-party purchaser entered into an exclusivity agreement (with an exclusivity period ending on March 1, 2020).

45. Days later, on February 14, 2020, Ubiquiti filed a complaint against Peraso in the United States District Court for the Southern District of New York (Court File No. 20-CV-1312) (**"SDNY Court"**) seeking, among other things: (i) a declaratory judgment that the License Agreement is in full force and effect; and (ii) monetary damages (such proceedings in the SDNY Court, the **"License Litigation"**).

46. Following the commencement of the License Litigation, the potential third-party purchaser spoke with Ubiquiti. After that conversation on or about February 21, 2020, the potential third-party purchaser informed Peraso that it would not move forward with the acquisition of Peraso without the resolution of the License Litigation.

March 2020: Peraso Takes Steps to Secure Emergency Financing and Avoid Insolvency

47. By February 2020, as a direct result of Ubiquiti Canada's failures to fund Peraso, Peraso again believed that it faced an imminent risk of insolvency. In particular, Peraso did not have sufficient funds to meet its obligations as they came due, including its payroll obligations due on March 13, 2020.

48. Given the financial situation, on or around February 28, 2020, Messrs. McLean, Whitaker, and Abbott resigned from the Board of Directors of Peraso.

49. Under the terms of the Eighth USA, vacancies on the Board of Directors can only be filled by the shareholders who originally nominated the departing directors. Given the potential for personal liability for the remaining members of the Board of Directors of Peraso, it was clear that the nominating shareholders would not be filling the vacancies until Peraso's financial situation improved. Accordingly, the remaining members of the Board of Directors of Peraso (Messrs. I. Zine-El-Abidine, R. Zine-El-Abidine, Adderley, and Glibbery) took steps to call a meeting of shareholders to consider emergency financing to ensure the continued solvency of Peraso and to address the composition of the Board of Directors.

50. The Defendants deny that, in arranging the emergency financing, the Director Defendants acted in the interests of themselves and/or their nominating shareholders.

At all times, the members of the Board of Directors acted reasonably and in compliance with the Eighth USA, By-Law No. 1, A by-law relating generally to the transaction of the business and affairs of Peraso Technologies Inc. (**"By-Law No. 1"**), and the OBCA with a view to protecting the interests of Peraso and its stakeholders against Peraso's imminent insolvency.

51. In the alternative, if the Director Defendants acted in the interests of themselves and/or their nominating shareholders (which is not admitted and is expressly denied) such actions of the Director Defendants do not constitute oppression within the meaning of section 248 of the OBCA and did not cause any losses to be suffered by Ubiquiti Canada.

52. With payroll due on March 13, 2020 and no shareholder (other than Roadmap Capital Inc.) proposing a viable financing plan, it was the belief of the members of the Board of Directors that the only reasonable available option to avoid insolvency was through an additional round of financing.

53. The Defendants deny the allegation at paragraph 48 of the statement of claim that the transactions ultimately entered into were pursued at the "urging" of Roadmap. In fact, all interested members of the Board of Directors of Peraso recused themselves from voting on the transactions ultimately entered into to ensure that there was no conflict or perception of conflict. Rather, the transactions ultimately entered into were a direct result of the need of the Board of Directors of Peraso to address Peraso's impending payroll obligations and insolvency.

54. The members of the Board of Directors of Peraso considered the available options, including the possibility that Ubiquiti and/or Ubiquiti Canada could provide financing to Peraso. They deny that they failed to explore reasonable alternatives to the financing described below, as alleged at paragraph 42 of the statement of claim. Indeed, as alleged at paragraph 53 of the statement of claim, the members of the Board of Directors of Peraso were aware of Ubiquiti's prior expressions of interest to make a loan to Peraso. However, contrary to paragraphs 53 and 56 of the statement of claim, such expressions of interest did not amount to an offer as they lacked fundamental terms and, in addition, were never reduced to writing. Moreover, they were made in the context of Ubiquiti's prior refusal to make the investment contemplated by the License

Agreement and Subscription Agreement and Ubiquiti's stated intention to acquire Peraso's intellectual property.

55. On March 2, 2020, the disinterested members of the Board of Directors of Peraso unanimously resolved to call a shareholder meeting to consider a new financing involving the issuance of secured convertible notes (**"2020 Notes"**), which would take place on March 12, 2020 (**"Special Shareholder Meeting"**). The terms of the financing were initially set out in a Secured Convertible Notes Financing Term Sheet, dated March 2, 2020 (the **"Term Sheet"**). Under the terms of the proposed financing, Peraso's existing shareholders could elect to purchase up to USD $15,000,000 of secured convertible notes (of which Roadmap Capital Inc. committed to purchase a minimum of USD $3,000,000). If there were a demand among shareholders to purchase 2020 Notes in excess of the maximum of USD $15,000,000, the Board of Directors of Peraso would have to resolve to increase the size of the offering. Among other things, the Term Sheet provided for an amendment to the Articles of Peraso providing for the conversion of all Class C Shares to Common Shares on the basis of 1.479 Common Share for each Class C Share and amended the 2019 Notes to have the same terms as the 2020 Notes, which was done to align the terms of the outstanding securities and to attract outside investment in Peraso.

56. The members of the Board of Directors of Peraso subsequently resolved to approve and authorize Amended and Restated Secured Convertible Notes Financing Term Sheet (the **"Amended Term Sheet"**) on March 11, 2020. The Amended Term Sheet incorporated the feedback that the members of the Board of Directors of Peraso had received from Peraso shareholders since March 2, 2020 – although neither Ubiquiti nor Ubiquiti Canada came forward with comments during this period. Among other things, the Amended Term Sheet provided for an amendment to the Articles of Peraso providing for the conversion of all Class C Shares to Common Shares on the basis of 1.25 Common Share for each Class C Share.

57. The amendment with respect to the conversion of Class C Shares was a direct response to the feedback collected by Peraso from its shareholders. The members of the Board of Directors of Peraso understood that, without the amendment, the transaction would not be approved and Peraso would have been unable to meet its payroll obligations. The amendment did not operate to the advantage of the Roadmap

Defendants. The Roadmap Defendants were the second largest owner of Class C Shares (second only to Qorvo). The revised conversion ratio resulted in an overall diminution of the Roadmap Defendants' equity position.

58. In connection with the financing, the Amended Term Sheet contemplated a revision to the Board structure. It was a condition to closing the financing described in the Amended Term Sheet that there be an

> … **amendment of the Shareholders Agreement to reflect that (i) the board of directors of the Company (the "Board") shall consist of up to six directors**, of which two such directors will be nominees of Roadmap, one such director shall be the then current Chief Executive Officer of the Company, one such director shall be a nominee of CHVP (as defined in the Shareholders Agreement), one such director shall be a nominee of the Investor (other than Roadmap) that subscribes for the greatest aggregate principal amount of Notes in excess of US$3,000,000 (if any) and one such director shall be an independent nominee who, at the option of the Board, shall be nominated by a majority of the Board and approved by Roadmap, and no other shareholders of the Company shall have the right to nominate directors of the Company, and (ii) any shareholder approval required under the Shareholders Agreement, including approval by a "Preferred Majority", "Special Preferred Majority" or "Preferred Approval" (as defined therein) or otherwise, include the approval of any Investor (including Roadmap) that subscribes for a minimum of US$3,000,000 principal amount of Notes;… [Emphasis added]

59. On March 2, 2020 (which, contrary to paragraph 55 of the statement of claim, was the day following the expiration of the exclusivity agreement with the potential third-party purchaser), Peraso sent its shareholders, including Ubiquiti Canada, a Notice of Special Meeting of Shareholders, a Management Information Circular, and a Form of Proxy. The Management Information Circular was complete and accurate as of March 2, 2020. The currency of the Management Information Circular was expressly stated therein: "All information in this Circular is given as of March 2, 2020 unless otherwise indicated."

60. The Defendants deny that any of the Notice of Special Meeting of Shareholders, the Management Information Circular, or the Form of Proxy were deficient and/or misrepresented the grave financial situation facing Peraso.

61. The Defendants deny that the terms of the 2020 Notes had the effect described at paragraph 62 of the statement of claim or that the Management Information Circular failed to property describe them. The body of the Management Information Circular, and the Term Sheet appended thereto, made abundantly clear that the 2020 Notes would be secured by a general security interest in all present and after acquired property and assets of Peraso, but subordinated in interest to the security held by Comerica Incorporated (or any replacement senior bank financing), and that the 2020 Notes would rank equally in priority to one another and with the then outstanding 2019 Notes.

62. With reference to paragraphs 62(c) and 85 of the statement of claim, the Defendants deny that the financing described in the Amended Term Sheet was a *de facto* poison pill. Rather, the offering of the 2020 Notes and the accompanying amendments were designed to attract outside investment in Peraso and the offer remains open for 90 days after March 13, 2020.

63. In the alternative, if the financing described in the Amended Term Sheet constitutes a *de facto* poison pill (which is not admitted and is expressly denied) the Defendants deny that Peraso failed to disclose such information to its shareholders. In the further alternative, the terms of the 2020 Notes were reasonable given that the 2020 Notes were offered on the eve of Peraso's insolvency and Ubiquiti had commenced the License Litigation only weeks before the offering.

64. Furthermore, or in the alternative, if the Management Information Circular or related documents were deficient and/or contained misrepresentations (which is not admitted and is expressly denied), such defects and/or their effects do not constitute oppression within the meaning of section 248 of the OBCA and did not cause any losses to be incurred by Ubiquiti Canada.

65. On March 3, 2020, the Board of Directors of Peraso resolved, among other things, to direct that Peraso deliver a notice to its shareholders, pursuant to the terms of the Eighth USA, notifying such shareholders of their pre-emptive rights with respect to the 2020 Notes. That same day, Peraso sent a notice of pre-emptive rights to shareholders, including Ubiquiti Canada. On March 10, 2020, the Board of Directors of Peraso resolved to waive the proxy deadline in respect of the Special Shareholder Meeting, such that proxies to be used at the meeting, or any adjournment or

postponement thereof, could be deposited with Peraso up until the time the meeting was called.

Ubiquiti Increases the Pressure, Suing Peraso's Directors Personally and Making a "Loan to Own" Proposal for the Intellectual Property

66. Following receipt of the Notice of Special Meeting of Shareholders, a Management Information Circular, and a Form of Proxy, on March 10, 2020, two days before the Special Shareholder Meeting, Ubiquiti filed an amended complaint in the License Litigation that, among other things, added Mr. McLean, Mr. Whitaker, Mr. Abbott, Mr. Adderley, Mr. I. Zine-El-Abidine, and Mr. R. Zine-El-Abidine, each of whom were members of the Board of Directors of Peraso at the time Peraso terminated the License Agreement.

67. At 4:07 p.m. on March 11, 2020, being the evening before the Special Shareholder Meeting, Ubiquiti advised the Board of Directors of Peraso that it would not cause Ubiquiti Canada to approve the Amended Term Sheet at the Special Shareholder Meeting and tendered an unreasonable "loan-to-own" alternative to the Amended Term Sheet (the **"Ubiquiti Proposal"**). The Ubiquiti Proposal, in essence, was yet another attempt to circumvent the terms of the License Agreement to acquire the ownership rights to the intellectual property covered by the License Agreement and any related intellectual property. Ubiquiti asked the Board of Directors of Peraso to consider and approve the Ubiquiti Proposal.

68. Despite Ubiquiti and Ubiquiti Canada becoming aware of the contemplated financing on March 2, 2020 and other shareholders advising the Board of Directors of Peraso of their comments, the eve of the Special Shareholder Meeting was the first occasion on which Ubiquiti and/or Ubiquiti Canada came forward with a written financing proposal. The Defendants deny that the Ubiquiti Proposal (or Ubiquiti's prior informal expressions of interest in advancing a bridge loan) ever constituted a viable option. In addition to containing conditions that could not be satisfied prior to March 13, 2020 or at all, the Ubiquiti Proposal did not include a number of material terms, such as amount and closing date. It acknowledged that holders of the convertible debt had a security interest in Peraso's intellectual property but required subordination of that security interest. Moreover, the members of the Board of Directors of Peraso

determined that there was insufficient time to consult with Ubiquiti and/or Ubiquiti Canada, given the timing of the March 12, 2020 Special Shareholder meeting and the March 13, 2020 payroll obligations.

69. Ubiquiti then advised the Board of Directors of Peraso that all shareholders needed to be informed of its vague and inchoate proposal. While the Board of Directors of Peraso determined that, by its very terms, the Ubiquiti Proposal was incapable of being carried out and completed, it elected to make the shareholders aware of it, as described below.

Peraso's Shareholders Overwhelmingly Approve the Emergency Financing

70. The Special Shareholder Meeting was held, as planned, on at 8:00 a.m. on March 12, 2020. The Defendants deny the allegation at paragraph 51 of the statement of claim that the shareholders' meeting and any business conducted thereat were invalid. The Defendants further deny that the members of the Board of Directors of Peraso failed to disclose the Ubiquiti Proposal to its shareholders. During the meeting, the shareholders were advised of the alternative proposal that Ubiquiti had put forward the previous evening. The Minutes of the Special Meeting of the Shareholders of Peraso Technologies Inc., dated March 12, 2020 (**"Meeting Minutes"**) reflect the fact that the following was disclosed to present shareholders:

> **…the Company received on the evening of March 11, 2020 (yesterday), just before the business day ended, a last-minute proposal from Ubiquiti Networks ("Ubiquiti") for an alternative bridge loan facility.**
>
> RG noted that the Ubiquiti proposal:
>
> - is silent with respect to material terms, including the loan amount, the guarantee parties and the repayment date and carries a proposed interest of 15% annually with an event of default rate of 30%;
>
> - contemplates a senior ranking security to the existing security interest on the 2019 convertible notes, requiring, among other things, subordination by the 2019 convertible noteholders which he noted Roadmap will not furnish; and
>
> - is: (a) silent with respect to the proposed timing for the closing of such loan facility, other than

> requiring minimum 3 days' notice to fund; and (b) given its terms, cannot be completed in a timely manner which would allow the Company to honour its financial obligations due on March 13, 2020 (tomorrow).

> RG noted that **the Ubiquiti proposal was nevertheless formally considered by the board of directors of Peraso on the evening of March 11, 2020 (yesterday) upon its receipt and, including for the reasons mentioned earlier, was ultimately rejected (with Roadmap nominees recusing themselves from this decision).**

> In contrast to the subject financing of 2020 convertible debentures, which enjoys tremendous support from all classes of Shareholders, RG noted that **the board concluded that, by its own terms, including requiring subordination from Roadmap, the Ubiquiti proposal could not be executed**. [Emphasis added]

71. In addition to being made aware of the terms of the Amended Term Sheet prior to the Special Shareholder Meeting, the shareholders (or their proxies) that were present at the Special Shareholder Meeting were also made aware of the terms of the Amended Term Sheet, which was approved and authorized by the members of the Board of Directors of Peraso following the March 2, 2020 distribution of the Notice of Special Meeting of Shareholders, Management Information Circular, and Form of Proxy. The Meeting Minutes reflect the fact that the following was disclosed to present shareholders:

> **RG noted that, on the evening of March 11, 2020 (yesterday), the board of directors (with Roadmap nominees recusing themselves), after receiving input from key shareholders, considered and approved certain amendments to such term sheet in the form of an amended and restated term sheet which was agreed to by Roadmap. These amendments are integrated into the transaction resolution which is the subject of the meeting. Copies of the amended and restated term sheet were made available for inspection with the Secretary of the meeting.**

> RG noted that such amendments are being tabled today on the basis of the discretionary authority which is conferred upon the persons named in the Form of Proxy with respect to matters not specifically mentioned in the Notice of Meeting, but which may properly come before

> the Meeting or any adjournment or postponement thereof, and with respect to amendments to or variations of matters identified in the Notice of Meeting. [Emphasis added]

72. At the Special Shareholder Meeting, the shareholders of Peraso voted (by class) to approve the following measures:

(a) An offering by way of private placement in accordance with the terms of the Amended Term Sheet;

(b) An amendment to the Articles of Peraso to reflect the conversion of all Class A Preferred Shares to Common Shares (on a 1-for-1 basis), the conversion of all Class B Preferred Shares to Common Shares (on a 1-for-1 basis) and the conversion of all Class C Shares to Common Shares (on the basis of 1.25 Common Shares for each Class C Share); and

(c) An amendment to the Eighth USA to reflect that (i) the Board of Directors of Peraso shall consist of six (6) directors, as described above at paragraph 58; (ii) any shareholder approval required under the unanimous shareholders agreement include the approval of any subscriber pursuant to the offering of the 2020 Notes (including Roadmap Capital Inc. or its investment vehicles) that subscribed for a minimum USD $3,000,000 principal of 2020 Notes; and (iii) the corresponding changes deriving from the amendments set out in subparagraph 72(b), above.

73. The Board and the Preferred Majority (as defined in the Eighth USA) determined that the offer was in the best interests of Peraso.

74. The proposed amendments to Peraso's Articles were required for the purposes of the offering, as contemplated by section 6.9 of the Eighth USA. As described above, Ubiquiti's consent was not required for the amendments.

75. Ubiquiti Canada did not attend the Special Shareholder Meeting in person and did not vote by proxy. In contrast, with the exception of Mr. Glibbery and Bradley Lynch, all other shareholders voted by proxy. A majority of shareholders approved the above measures: 84.5% of holders of Class C Shares, 86.3% of holders of Class B Preferred

Shares, 66.7% of holders of Class A Preferred Shares, and 100% of holders of Common Shares. Approximately 80% of the issued and outstanding shares of Peraso (across all classes) were represented in person or by proxy at the Special Shareholder Meeting. Accordingly, the approval thresholds prescribed in section 6.9 of the Eighth USA were exceeded.

76. Following the Special Shareholder Meeting, one of the two shareholders (iNovia) that voted against the matters that were the subject of the Special Shareholder Meeting contacted Peraso to advise that it wished to revoke its previously submitted proxy (which constituted a vote against the proposal) and that it wished now to support the proposal. Assuming the inclusion of iNovia's votes in favour of the shareholder resolutions, the support among shareholders would be: 89.6% of holders of Class C Shares, 100% of holders of the Class B Preferred Shares, 100% of holders of Class A Preferred Shares, and 100% of holders of Common Shares.

77. Ubiquiti Canada neither attended the Special Shareholder Meeting, nor voted for or against the resolution to approve the measures described above.

78. At the Special Shareholder Meeting, the members of the Board of Directors of Peraso then resolved to implement the measures approved by the shareholders. Following closing of the financing, Peraso sent its shareholders the Ninth Amended and Restated Unanimous Shareholders' Agreement (**"Ninth USA"**), which reflected the changes they had approved at the Special Shareholder Meeting.

79. While Ubiquiti was offered the opportunity to participate in the financing, it did not do so. The only shareholders that participated were Roadmap Peraso LP III and Roadmap Peraso LP III (US and Offshore), which together subscribed for USD $3,885,000.

80. With the proceeds of the financing, Peraso met its payroll obligations the following day.

Defendants Did Not Breach the Eighth USA

81. The Defendants deny that their actions amounted to a breach of the Eighth USA. With reference to paragraphs 74 through 77 of the statement of claim, the Defendants deny that the amendments to the Eighth USA that resulted from the Special

Shareholder Meeting failed to comply with the terms of the Eighth USA. As stated above, the votes required under section 6.9 of the Eighth USA to amend the Articles of Peraso were obtained at the Special Shareholder Meeting and accordingly Ubiquiti and Ubiquiti Canada waived any right to dissent or object. Further, with reference to paragraph 75 of the statement of claim, as a result of the amendments to the Articles of Peraso, all Class C Shares were eliminated accordingly and restrictions (or lack thereof) became irrelevant to Peraso's newly-approved capital structure.

82. The Defendants deny the allegations at paragraphs 85, 86 and 87 of the statement of claim that the 2020 Notes contain "punitive and unusual terms triggered on a Liquidation Event". Rather,

(a) The holders of 2019 Notes and 2020 Notes have signed written acknowledgements to the effect that any payment of interest or other amount payable in connection with such offerings that would be prohibited by law or would result in a receipt by that person of "interest" at a "criminal rate" (as such terms are construed under the Criminal Code (Canada)) shall be adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, that would not be so prohibited by applicable law or so result in a receipt by that person of "interest" at a "criminal rate". Furthermore, no shareholder of Peraso ever took exception to such terms;

(b) The offering of the 2020 Notes and the accompanying amendments were approved at a level which triggered the waiver of dissent under section 6.9 of the Eighth USA; and

(c) The 2020 Notes were made available to all Peraso shareholders, which were each permitted to subscribe on the same terms.

83. Contrary to paragraphs 62(b) and 88 of the statement of claim, the Defendants deny that the terms of the 2020 Notes were intended to defeat, hinder, delay or prejudice creditors or otherwise constitute a preference under section 4 of the Ontario *Assignment and Preferences Act*, RSO 1990, c A.33. In the alternative (and with reference to paragraph 62(b) of the statement of claim), if the terms of the 2020 Notes do constitute a preference (which is not admitted and is expressly denied), the

Defendants deny that Peraso failed to disclose such information to shareholders in the Management Information Circular distributed to its shareholders on March 2, 2020. In the further alternative, if Peraso did fail to disclose such information (which is not admitted and is expressly denied), the Defendants deny that such failure amounts to oppression under the OBCA.

The Peraso Board of Directors Acted within Its Authority

84. Despite engaging with the Board of Directors of Peraso during the process (including in respect of the Ubiquiti Proposal), Ubiquiti Canada now alleges that the Board was invalidly constituted and incapable of calling the Special Shareholder meeting because it lacked the requisite number of directors, which the Defendants deny. The Defendants further deny that the votes taken and resolutions approved at the Special Shareholder meeting are void.

85. The Defendants deny that Peraso lacked the minimum number of directors to carry out actions of the Board of Directors. Under the terms of the OBCA and/or the express or implied terms of the Eighth USA and/or By-Law No. 1, in circumstances in which the number of directors falls below five, the remaining directors in office may call a meeting of shareholders to address urgent matters, including the composition of the Board of Directors.

86. Along with the Articles and By-Law No. 1, the Eighth USA sets out the requirements of the composition of the Board of Directors of Peraso. Section 4.1 of the Eighth USA provided that Board of Directors of Peraso shall consist of “a minimum of five (5) directors and a maximum of seven (7) directors” and prescribes that one director shall be the current CEO of Peraso, one director shall be nominated by the holders of at least a majority of the outstanding Common Shares of Peraso, one director shall be nominated by the holders of at least a majority of the outstanding Common Shares and the “Fully Diluted Investor Securities” (voting together as a single class), and one director shall be nominated by each of CHVP, iNovia, VentureLink, Roadmap (each as defined in the Eighth USA).

87. The Eighth USA further provides that certain individuals shall initially serve as nominee directors of certain shareholders, including Mr. McLean (as “CEO Nominee”), Mr. Glibbery (as “Common Share Nominee”), Mr. Adderley (as “CHVP Nominee”), Mr.

Abbott (as “iNovia Nominee”), Mr. Whitaker (as “VentureLink Nominee”), Mr. I. Zine-El-Abidine (as “Roadmap Nominee”), and Mr. R. Zine-El-Abidine (as “Independent Nominee”).

88. As noted above, section 4.2 of the Eighth USA provides that vacancies on the Board of Directors of Peraso can only be filled by the shareholders who nominated the directors that resigned:

> … **Any vacancy** occurring on the Board by reason of the death, disqualification, inability to act, resignation or removal of any director **may be filled only by a further nominee of the Shareholder or Shareholders whose nominee was so affected so as to maintain a Board consisting of the nominees specified in Section 4.1**. The Shareholders shall fill any such vacancy by electing as soon as reasonably possible any such further nominee under this Section 4.2. [Emphasis added]

89. The Eighth USA is silent as to the steps that the remaining directors may take during the period before the vacancy is filled. However, section 4.07 of By-Law No. 1 of Peraso provides that where there is a vacancy on the Board of Directors of Peraso, the remaining members of the Board of Directors can exercise all powers of the Board so long as quorum is present. In addition, section 10.02 of By-Law No. 1 provides that the board, the chair of the Board or the President may call a special meeting of shareholders at any time.

90. At all relevant times, the members of Peraso’s Board of Directors acted properly, within the scope of their authority and with the requisite quorum.

91. It would not be reasonable for a shareholder to expect that the remaining members of the Board of Directors would cease to address urgent matters during the period before a vacancy is filled, provided there is quorum.

Ubiquiti Canada Was Not Denied Its “Observer Rights”

92. In addition to alleging that the Ubiquiti Proposal was ignored, Ubiquiti Canada claims that it was denied its right to have an observer monitor the process of the Board of Directors, which would have allowed it to present “alternative proposals to Peraso’s shareholders and other stakeholders than those being advanced by the Defendants.”

93. Contrary to the allegations in the statement of claim (including those set out in paragraphs 34 through 43 thereof), the Defendants deny that Ubiquiti Canada had any relevant observer rights under section 4.4(e) of the Eighth USA, whether beginning in mid October 2019 or at all, that would have allowed it to sit in on the discussions of the Board of Directors of Peraso of these issues or any of the other matters described in the statement of claim. The Defendants certainly deny that any observer rights would have given Ubiquiti the ability to use Peraso's information for its own benefit, including by advancing its litigation position or acquiring Peraso's intellectual property.

94. The observer rights of Ubiquiti and Ubiquiti Canada were premised on the expectation that they would become significant stakeholders in Peraso if the terms of the License Agreement and Subscription Agreement were complied with, including by Ubiquiti causing Ubiquiti Canada to make an aggregate USD $10,000,000 investment in Peraso. It was an express or implied term of the Eighth USA that Ubiquiti Canada's observer rights under section 4.4(e) of the Eighth USA were contingent on compliance with the terms of the License Agreement and the Subscription Agreement, which were breached by Ubiquiti and Ubiquiti Canada, as described herein.

95. In the alternative, the observer rights under the Eighth USA did not allow the observer to channel information to Ubiquiti and/or Ubiquiti Canada for its own benefit. They did not apply in circumstances in which the matters under consideration were confidential, subject to solicitor-client privilege or related to Ubiquiti and/or Ubiquiti Canada, including matters that were the subject of ongoing or contemplated litigation.

96. In the further alternative, to the extent that there were any such rights, the Defendants deny that beginning in mid-October 2019 the members of the Board of Directors of Peraso acted in breach of them. In particular and in reference to paragraphs 37 of the statement of claim, the Defendants deny that they withheld from Ubiquiti Canada notice of meetings of the Board of Directors of Peraso and related information.

97. To exercise observer rights, section 4.4(e) of the Eighth USA required Ubiquiti and/or Ubiquiti Canada to provide written notice of its intention to exercise the right and to execute a Confidential Information and Non-Disclosure Agreement. That was not done.

98. While Peraso had allowed a representative of Ubiquiti to attend routine meetings of the Board of Directors/shareholders on a handful of occasions in 2019, it was done as a courtesy that was extended to Ubiquiti as a shareholder and Peraso's largest customer. Once matters became litigious, Peraso was entitled to require Ubiquiti and Ubiquiti Canada to provide the requisite written notice and execute a Confidentiality and Non-Disclosure Agreement. The Defendants deny that Ubiquiti or Ubiquiti Canada could have any reasonable expectation that the observer rights under section 4.4(e) would be available to them until such terms were fulfilled.

99. In the alternative, by the express and/or implied terms of section 4.4(e) of the Eighth USA neither Ubiquiti nor Ubiquiti Canada could have a reasonable expectation that they would be able to exercise their observer rights to the extent that the License Litigation was being discussed or legal advice was being obtained.

100. The first occasion on which Ubiquiti Canada (or Ubiquiti) raised the issue of its observer rights under the Eighth USA was in a notice of application issued by the Ontario Superior Court of Justice (Commercial List) on February 21, 2020 (Court File No. CV-20-00636535-00CL) seeking production of certain materials. The application was resolved on consent and Peraso agreed to provide the materials sought in the application.

101. To the extent that there was a failure to provide requisite notice of meetings of the Board of Directors of Peraso or committee meetings or related information, which is denied, it was not done intentionally – or to prefer certain interests to those of Ubiquiti and/or Ubiquiti Canada, as alleged at paragraphs 36 and 39 of the statement of claim. Rather, it was done on the assumption that Ubiquiti Canada had no interest in availing itself of such rights and/or the Ubiquiti was in a position of conflict. In the circumstances, that assumption was reasonable and Ubiquiti Canada could not have had any reasonable expectation that it would receive such information.

102. Peraso and the Director Defendants specifically deny that they "hid" from Ubiquiti's observer discussions regarding terms for the reorganization of Peraso's share capital or that those efforts were aimed at improving the position of certain shareholders to those of Ubiquiti Canada. Rather, Ubiquiti Canada was provided notice of the

transactions ultimately entered into and given the opportunity to participate, as described above.

103. The Defendants further deny that any failure to provide access or information (if it did occur which is not admitted and is expressly denied) either constitutes oppressive conduct or breached the reasonable expectations of Ubiquiti Canada as understood by section 248 of the OBCA.

Defendants' Conduct in Avoiding Insolvency Was not "Oppressive"

104. The Roadmap Defendants deny that any of them is an affiliate of Peraso within the meaning of the OBCA. Accordingly, section 248 provides no relief to Ubiquiti Canada as against them.

105. In the alternative, Peraso, the Director Defendants, and the Roadmap Defendants each deny that their actions amount to oppression pursuant to section 248 of the OBCA.

106. As described above, the Defendants acted in good faith to arrange emergency financing to avoid Peraso's insolvency. Ubiquiti Canada cannot have had any reasonable expectation that they would have done otherwise.

107. In the further alternative, even if the Defendants are liable under section 248 of the OBCA (which is not admitted and is expressly denied) the Defendants deny that Ubiquiti Canada suffered any damages or any adverse consequence and puts Ubiquiti Canada to the strict proof thereof.

108. In the still further alternative, even if even if the Defendants are liable under section 248 of the OBCA (which is not admitted and is expressly denied) the Defendants state that terms of the 2020 Notes were reasonable in the circumstances. The Defendants further state that the relief sought by Ubiquiti Canada is unnecessarily broad and the remedy which interferes as little as possible with the affairs of Peraso would be to amend the terms of the 2020 Notes.

109. In the further alternative, to the extent that the actions of Peraso and/or the Roadmap Defendants amount to oppression pursuant to section 248 of the OBCA (which is not admitted and is expressly denied), the Director Defendants each deny that

such conduct is properly attributable to the Director Defendants and further deny that the imposition of personal liability on the Director Defendants would be fit in the circumstances.

110. The Defendants plead and rely on the terms of the OBCA, including section 248 thereof.

111. The Defendants request that this Action be dismissed against them with costs.

112. The Defendants consent to the trial of this Action being held in Toronto, Ontario.

May 29, 2020

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UBIQUITI NETWORKS CANADA INC.
Plaintiff

and

PERASO TECHNOLOGIES INC. et al.
Defendants

Court File No.: CV-20-00639269-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

STATEMENT OF DEFENCE

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EXHIBIT "F"

EXHIBIT "F"

referred to in the Affidavit of

RONALD GLIBBERY

Sworn June 2, 2020

DocuSigned by:

Nicholas Cruz

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Commissioner for Taking Affidavits

Peraso Technologies Inc.

Financial Statements
December 31, 2019
(expressed in US dollars)

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Independent auditor's report

To the Shareholders of Peraso Technologies Inc.

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Peraso Technologies Inc. (the Company) as at December 31, 2019 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Private Enterprises (ASPE).

What we have audited
The Company's financial statements comprise:

- the balance sheet as at December 31, 2019;
- the statement of operations for the year then ended;
- the statement of changes in shareholders' deficiency for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to note 1 to the financial statements, which describes events or conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, Canada M5J 0B2
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Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASPE, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

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If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
May 19, 2020

Peraso Technologies Inc.

Balance Sheet

As at December 31, 2019

	2019 $	2018 $
Assets		
Current assets		
Cash and cash equivalents	1,903,691	9,149,450
Accounts receivable	393,895	443,874
Prepaid expenses and other assets	1,114,605	584,594
Investment tax credits	1,216,440	2,163,364
Inventory	1,107,812	692,846
	5,736,443	13,034,128
Property and equipment (note 3)	3,046,138	3,276,618
Intangible assets (note 4)	153,840	372,677
	8,936,421	16,683,423
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	1,374,303	1,394,310
Loans (note 5)	-	823,038
	1,374,303	2,217,349
Convertible note (note 6)	1,678,762	-
Convertible Class A preferred shares (note 7)	2,117,267	2,015,790
Convertible Class B preferred shares (note 7)	33,765,675	32,055,203
Convertible Class C preferred shares (note 7)	58,678,565	48,747,314
Dividend payable on preferred shares (note 7)	24,429,668	18,939,617
	122,044,240	103,975,272
Shareholders' Deficiency		
Capital stock (note 7)	161,025	156,951
Warrants (note 7)	299,900	299,900
Contributed surplus	1,256,241	884,266
Deficit	(114,824,985)	(88,632,966)
	(113,107,819)	(87,291,849)
	8,936,421	16,683,423

Going concern (note 1)

Commitments (note 12)

Approved by the Board of Directors

____________________________ Director ____________________________ Director

The accompanying notes are an integral part of these financial statements.

Peraso Technologies Inc.

Statement of Operations

For the year ended December 31, 2019

	2019 $	2018 $
Revenue	506,000	1,621,162
Cost of goods sold	477,432	727,876
Gross profit	28,568	893,286
Expenses		
Research and development (note 10)	10,214,210	9,529,529
General and administration	2,288,265	2,292,919
Marketing (note 9)	1,598,474	1,501,773
Stock-based compensation (note 8)	366,410	459,946
Amortization of property and equipment	1,319,857	1,227,998
Amortization of intangible assets	218,837	218,837
	16,006,053	15,231,002
Loss from operations	(15,977,485)	(14,337,716)
Finance (income) and expenses		
Dividends (note 7)	4,444,674	4,182,064
Amortization of deferred financing costs	405,767	414,332
Interest on loans	20,403	107,305
Unrealized loss (gain) on foreign currency exchange	5,369,795	(7,529,593)
Realized gain on foreign currency exchange	(21,935)	(6,265)
Interest income	(4,170)	(40,227)
	10,214,534	(2,872,384)
Net loss for the year	(26,192,019)	(11,465,332)

The accompanying notes are an integral part of these financial statements.

Peraso Technologies Inc.

Statement of Changes in Shareholders' Deficiency

For the year ended December 31, 2019

	Capital stock $	Warrants $	Deficit $	Contributed surplus $	Total $
Balance – December 31, 2017	148,662	299,900	(77,167,634)	425,885	(76,293,187)
Net loss for the year	-	-	(11,465,332)	-	(11,465,332)
Shares issued on exercise	8,289	-	-	(1,565)	6,724
Issuance of warrants (note 7)	-	-	-	-	-
Stock-based compensation	-	-	-	459,946	459,946
Balance – December 31, 2018	156,951	299,900	(88,632,966)	884,266	(87,291,849)
Net loss for the year	-	-	(26,192,019)	-	(26,192,019)
Shares issued on exercise	4,074	-	-	5,565	9,639
Issuance of warrants (note 7)	-	-	-	-	-
Stock-based compensation	-	-	-	366,410	366,410
Balance – December 31, 2019	161,025	299,900	(114,824,985)	1,256,241	(113,107,819)

The accompanying notes are an integral part of these financial statements.

Peraso Technologies Inc.

Statement of Cash Flows

For the year ended December 31, 2019

	2019 $	2018 $
Cash provided by (used in)		
Operating activities		
Net loss for the year	(26,192,019)	(11,465,332)
Items not involving cash		
Dividends (note 7)	4,444,674	4,182,064
Stock-based compensation	366,410	459,946
Interest on convertible debenture	3,858	-
Amortization of property and equipment	1,319,857	1,227,998
Amortization of intangible assets	218,837	218,837
Amortization of deferred financing costs	405,767	414,332
Unrealized loss on foreign currency exchange	5,351,967	(7,529,538)
Changes in non-cash working capital balances		
Investment tax credits	1,027,419	19,295
Accounts receivable	49,980	79,569
Prepaid expenses and other assets	(511,076)	(21,635)
Inventory	(403,244)	371,695
Accounts payable and accrued liabilities	(68,552)	(134,093)
Deferred revenue	-	(79,383)
	(13,986,122)	(12,256,245)
Investing activities		
Purchases of property and equipment and intangible assets	(1,089,377)	(1,429,116)
Financing activities		
Equipment lease	-	(219)
Proceeds on exercise of stock options	9,638	6,724
Net proceeds from convertible Class C preferred shares (note 7)	7,000,000	15,592,262
Proceeds from convertible debenture	1,734,427	-
Financing fees	(60,000)	-
Repayment of loans (note 5)	(800,000)	(1,200,000)
	7,884,065	14,398,767
Change in cash and cash equivalents during the year	(7,191,434)	713,406
Cash and cash equivalents – Beginning of year	9,149,450	8,580,941
Effect of foreign exchange on cash and cash equivalents	(54,325)	(144,897)
Cash and cash equivalents – End of year	1,903,691	9,149,450

The accompanying notes are an integral part of these financial statements.

1 Description of business and going concern

Peraso Technologies Inc. (the Company) is a fabless semiconductor company specializing in the development of 60 GHz communications products.

The Company was incorporated on June 5, 2008. Since its inception, the Company has devoted substantially all of its efforts to business planning, developing its products, acquiring operating assets and raising funding. The Company began production in late 2015 and continued to develop new products in 2019.

The Company's forecasted cash flows from operations are insufficient to cover its operating expenses. The Company has taken actions to reduce operating costs and with successful execution of planned equity financing, the Company believes it can fund the next 12 months of operations.

In addition to the liquidity challenges described above, Ubiquiti, one of the Company's investors and customers, has filed a lawsuit on February 14, 2020 in the United States District Court southern district of New York against the Company for breach of a licence and development agreement. Ubiquiti has also filed a lawsuit in the Superior Court of Justice Ontario on February 19, 2020 against the Company for breach of agreement to provide the notices of meetings of the Company's Board of Directors and all written information to Ubiquiti. No provision for this claim has been made in the financial statements for the year ended December 31, 2019.

These material uncertainties lend significant doubt as to the ability of the Company to meets its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. While the Company has been successful in raising financing through debt and equity financing in the past, there can be no assurance that it will be able to do so in the future.

These financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classification that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments would be material.

2 Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared by management in accordance with Canadian Accounting Standards for Private Enterprises (ASPE). All amounts are expressed in US dollars, unless otherwise specified.

Use of estimates

The preparation of financial statements in accordance with ASPE requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Such estimates include the stock compensation valuation assumptions and the determination of the useful life of property and equipment and intangible assets, all of which are management's best estimates. The scientific research and experimental development (SR&ED) tax credits are based on amounts considered to be fixed and determinable. Estimates are based on historical experience, where applicable, and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in estimates in future years could be significant. Actual results could differ from the estimates under different assumptions or conditions.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit.

Investment tax credits

Investment tax credits, which are earned as a result of incurring qualifying SR&ED costs, are accounted for as a reduction to the relevant assets or research and development expenses when the Company has made the qualifying expenditures and there is reasonable assurance the credits will be realized.

Inventory

Inventory is measured at the lower of cost and net realizable value and cost is assigned using the first-in, first-out method. Inventory costs include costs of material, labour, assembly and testing costs. Net realizable value is the estimated selling price less applicable selling expenses.

Property and equipment

Property and equipment are recorded at cost, less accumulated amortization. Property and equipment consist of computer equipment, furniture and fixtures, licences, leasehold improvements and laboratory equipment and are amortized using the following methods and annual rates:

Computer equipment	55% declining balance
Furniture and fixtures	20% declining balance
Licences	2 years straight-line
Leasehold improvements	straight-line over the remaining term of the lease
Laboratory equipment	55% declining balance
Production equipment	30% declining balance
Leased laboratory equipment	2 years straight-line
Production mask set	5 years straight-line

Intangible assets

Intangible assets, which consist of acquired intellectual property, are recorded at cost less accumulated amortization. Intangible assets are amortized on a straight-line basis over the five-year period.

The Company reviews the carrying values of amortizable intangible assets for impairment whenever events and changes in circumstances indicate the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to the amount by which the carrying value of the asset exceeds its fair value.

Impairment of long-lived assets

Property and equipment and intangible assets are tested for impairment when evidence of a decline in value exists. If it is determined the carrying value of property and equipment is not recoverable, a writedown to fair value is charged to net loss in the year that such a determination is made.

Convertible redeemable preferred shares

The Company's convertible redeemable preferred shares are classified as financial liabilities as these preferred shares can be redeemed on or after a specified future date, subject to agreement by a majority of these preferred shareholders. The redemption price would be the original issue price per share plus all accrued dividends.

As such, the 8% cumulative dividends are accrued as an expense in the statement of operations. Incremental costs directly attributable to the issuance of the preferred shares are recognized as a deduction from the cost of the preferred share.

Revenue recognition

Revenue is derived primarily from the sale of semiconductor chipsets. Product revenue is recognized when chipsets are shipped and when all of the following criteria are met; persuasive evidence of an arrangement exists; the fee is fixed and/or determinable; and collection is reasonably assured.

Foreign currency translation

The functional currency of the Company is the US dollar. The functional currency is the currency of the primary economic environment in which the Company operates. The Company considered the following economic factors in determining the functional currency indicators: cash flows, sales prices, sales markets, operating expenses and financing.

On the transaction date, each asset, liability, revenue or expense is translated into US dollars, the functional currency of the entity, using the exchange rate in effect at that date. As at the year-end date, monetary assets and liabilities are translated into US dollars using the exchange rate in effect at that date and the resulting foreign currency exchange gains and losses are included in net loss in the current year.

Stock-based compensation

The Company has a stock option plan, which is described in note 8. The Company estimates the fair value of stock-based compensation to employees and directors using the Black-Scholes option pricing model and expenses the fair value over the tranche's estimated vesting period with a corresponding credit to contributed surplus.

When stock options are exercised, the corresponding contributed surplus and proceeds received by the Company are credited to capital stock.

Financial instruments

The Company records cash and cash equivalents, accounts receivable, input tax credits receivable, accounts payable and accrued liabilities at cost, loans, convertible notes and redeemable preferred shares at amortized cost. Amortization is recorded on a straight-line basis.

Financial assets are tested for impairment at the end of each reporting period when there are indications the assets may be impaired.

Pursuant to the Chartered Professional Accountants of Canada Handbook, Part II, Section 3856, Financial Instruments, loans, convertible notes and redeemable preferred shares were not bifurcated into equity and liability components. The Company has elected to allocate these fully to the liability component.

Income taxes

The Company uses the income taxes payable method of accounting for income taxes. Under this method of accounting, the Company records as an expense or recovery only the cost or benefit of current income taxes for that year, determined in accordance with the rates established by the taxation authorities.

3 Property and equipment

			2019
	Cost $	Accumulated amortization $	Net $
Computer equipment	1,420,172	1,232,992	187,180
Furniture and fixtures	310,601	207,789	102,812
Licences	701,678	659,132	42,546
Leasehold improvements	237,780	231,967	5,813
Laboratory equipment	2,401,695	2,099,270	302,425
Production equipment	2,327,341	1,221,587	1,105,754
Leased laboratory equipment	116,397	116,397	-
Production mask set	2,897,850	1,598,242	1,299,608
	10,413,514	7,367,376	3,046,138

			2018
	Cost **$**	**Accumulated amortization** **$**	**Net** **$**
Computer equipment	1,313,727	1,041,130	272,597
Furniture and fixtures	308,155	182,290	125,865
Licences	635,141	598,292	36,849
Leasehold improvements	237,780	223,316	14,464
Laboratory equipment	2,052,104	1,998,148	53,956
Production equipment	2,137,983	800,100	1,337,883
Leased laboratory equipment	116,397	116,397	-
Production mask set	2,522,850	1,087,846	1,435,004
	9,324,137	6,047,519	3,276,618

4 Intangible assets

			2019
	Cost **$**	**Accumulated amortization** **$**	**Net** **$**
Acquired intellectual property	1,155,024	1,001,184	153,840

			2018
	Cost **$**	**Accumulated amortization** **$**	**Net** **$**
Acquired intellectual property	1,155,024	782,347	372,677

5 Loans

In 2016, the Company amended its term loan agreement. The term loan agreement was amended to a term loan facility of US$3,000,000, bearing interest at a rate of US prime plus 1.25% per annum, payable on the first calendar day of each month. As at December 31, 2019, the balance was repaid in full (2018 – $823,038). During the current fiscal year, a total of $15,900 (2018 – $84,446) of interest was paid.

In 2016, the Company amended its revolving facility agreement. The agreement was amended to a revolving facility of US$4,500,000, bearing interest at a rate of prime plus 1.25% per annum, payable on the first calendar day of each month. In 2018, the revolving facility agreement was amended to extend the maturity date of the revolving facility to March 30, 2019. The revolving credit facility is secured by the Company's 2016 and 2017 filed refundable tax credit claims and accrued refundable tax credit claims. In 2019, no amounts were drawn on the revolving facility and no interest was paid on the revolving loan.

6 Convertible debenture

During December 2019, the Company entered into a convertible debenture agreement with a maturity date of June 30, 2025. Proceeds from the convertible debenture totalled $1,748,035 at an annual interest rate of 6%, net of $60,000 in financing fees. During the current fiscal year, a total of $3,858 in interest expense was recognized.

Conversion

On the closing of a Series D equity financing by the Company on or before June 30, 2020 all of the principal and accrued interest shall automatically convert into equity securities issued under the Series D financing at a conversion price of 90% of the per share price paid by the investors in such financing.

On the closing of a Series D equity financing by the Company after June 30, 2020 all of the principal and accrued interest shall automatically convert into equity securities issued under the Series D financing at a conversion price of 80% of the per share price paid by the investors in such financing.

On the occurrence of a liquidation event prior to the conversion or repayment in full of this debenture, the holder has the option to convert all of the principal and accrued interest into Class C preferred shares at a price of CA$1.479, immediately prior to the closing of the liquidation event or the Company is required to pay the holder an amount equal to 150% of the outstanding principal, plus all accrued interest on closing of the liquidation event.

7 Capital stock

Authorized

Unlimited common shares, voting
Unlimited Class A, Class B and Class C preferred shares

Issued

									2019
	Common shares		Class A preferred shares		Class B preferred shares		Class C preferred shares		Total
	Number of shares	Amount $	Number of shares	Amount $	Number of shares	Amount $	Number of shares	Amount $	Amount $
Balance – Beginning of year	3,499,290	156,951	2,750,001	4,043,202	43,956,520	48,967,407	46,028,779	48,747,314	101,914,874
Shares issued (net of financing costs)	-	-	-	-	-	-	6,293,847	7,000,000	7,000,000
Exercise of stock options	128,125	9,639	-	-	-	-	-	-	9,639
Dividends accrued	-	-	-	332,590	-	4,112,084	-	-	4,444,674
Amortization of deferred financing costs	-	-	-	-	-	100,740	-	304,551	405,291
Foreign exchange	-	-	-	210,684	-	2,545,903	-	2,626,700	5,383,287
Balance – End of year	3,627,415	166,590	2,750,001	4,586,476	43,956,520	55,726,134	52,322,626	58,678,565	119,157,765

									2018
	Common shares		Class A preferred shares		Class B preferred shares		Class C preferred shares		Total
	Number of shares	Amount $	Number of shares	Amount $	Number of shares	Amount $	Number of shares	Amount $	Amount $
Balance – Beginning of year	3,411,665	148,662	2,750,001	4,071,095	43,956,520	49,148,593	31,677,811	36,182,567	89,550,917
Shares issued (net of financing costs)	-	-	-	-	-	-	14,350,969	15,592,262	15,592,262
Exercise of stock options	87,625	8,289	-	-	-	-	-	-	8,289
Dividends accrued	-	-	-	315,191	-	3,866,873	-	-	4,182,064
Amortization of deferred financing costs	-	-	-	-	-	114,647	-	299,686	414,333
Foreign exchange	-	-	-	(343,084)	-	(4,162,706)	-	(3,327,201)	(7,832,991)
Balance – End of year	3,499,290	156,951	2,750,001	4,043,202	43,956,520	48,967,407	46,028,780	48,747,314	101,914,874

As at December 31, 2019, $2,469,208 (2018 – $2,094,329) in dividends was accrued on the Class A preferred shares, and $21,960,460 (2018 – $17,533,838) in dividends was accrued on the Class B preferred shares.

In 2019, 6,293,847 Class C preferred shares were issued in exchange for $7,000,000. Financing costs related to the issuance of the Class C preferred shares were $nil.

Convertible Class A, Class B and Class C preferred shares

The holders of the convertible Class A, Class B and Class C preferred shares have the following rights and preferences:

- Voting

  Each convertible Class A, Class B and Class C preferred share has voting rights equal to an equivalent number of common shares and votes together as one class with the common shares.

- Conversion

  Each Class A, Class B and Class C preferred share is convertible, at the option of the holder, into one common share. The Class A, Class B and Class C preferred shares are automatically convertible into common shares in the event of (i) the closing of a public offering; (ii) the affirmative vote or written consent by the majority of the preferred shareholders; and (iii) the optional conversion into common shares of at least two-thirds of the aggregate number of preferred shares.

- Redemption

  The convertible Class A preferred shares can be redeemed on or after June 1, 2021, subject to agreement by two-thirds of the holders of the Company's Class A preferred shares. The price would be the original issue price of CA$1 per share plus all accrued dividends.

  The Class B preferred shares can be redeemed on or after June 1, 2021 subject to agreement by a majority of the holders of the Company's Class B preferred shares. The price would be the original issue price of CA$1 per share plus all accrued dividends.

  The Class C preferred shares can be redeemed on or after June 1, 2021 subject to agreement by a majority of the holders of the Company's Class C preferred shares. The price would be the original issue price of CA$1.4790 per share.

- Dividends

  Class A and Class B preferred shares will accrue an annual compounding dividend of 8% per year. The dividend will be paid at the earlier of a liquidation event (as defined in the articles of incorporation of the Company) or the redemption of the preferred shares. During the current fiscal year, a total of $4,444,674 (2018 – $4,182,064) of dividends was accrued.

- Liquidation

  In the event of any liquidation, dissolution or winding up of the Company, the holders of each convertible Class A and Class B preferred share would receive CA$1 per share plus all accrued dividends. Class C preferred shareholders would receive CA$1.4790 and no accrued dividends. Thereafter, any assets remaining following distribution to the holders of the convertible Class A, Class B and Class C preferred shares will be distributed rateably among the holders of the convertible Class A, Class B and Class C preferred shares and common shares, provided that the maximum amount receivable for each convertible Class A and Class B preferred share is CA$5, and CA$4.44 for Class C preferred shares.

Warrants

The warrants issued through to December 31, 2019 were as follows:

Year issued	Number of warrants Issued	Fair value $	Exercise price $	Expiry date	Option to purchase
2014	594,000	169,799	CA$1.00	March 3, 2022	Common shares
2015	90,000	31,713	CA$1.00	August 31, 2022	Class B preferred shares
2016	417,850	45,115	CA$1.4790	March 4, 2021	Common shares
2017	497,692	53,273	CA$1.4790	March 4, 2021	Common shares

The warrants outstanding as at December 31, 2019 and December 31, 2018 were as follows:

	Number of warrants on common shares	Amount $	Number of warrants on Class B preferred shares	Amount $	Total $
Balance – December 31, 2017	1,509,542	268,187	150,000	31,713	299,900
Issued in the year	-	-	-	-	-
Warrants expired in 2018	-	-	60,000	-	-
Balance – December 31, 2018	1,509,542	268,187	90,000	31,713	299,900
Issued in the year	-	-	-	-	-
Warrants expired in 2019	-	-	-	-	-
Balance – December 31, 2019	1,509,542	268,187	90,000	31,713	299,900

8 Stock-based compensation

In 2009, the Company adopted the 2009 Share Option Plan (the plan). Under the plan, officers, employees, directors, consultants and special advisers may be granted stock options to purchase shares of the Company's common stock; 12,896,147 shares of common stock have been reserved for issuance. Stock options generally vest over terms of four years and expire over terms of 10 years.

A summary of stock option activity under the plan is as follows:

	Number of stock options	Weighted average exercise price per stock option $
Balance – December 31, 2017	6,011,726	0.2
Granted	5,091,050	0.6
Forfeited	(496,875)	0.4
Exercised	(87,625)	0.1
Balance – December 31, 2018	10,518,276	0.2
Granted	434,000	0.6
Forfeited	(528,566)	0.45
Exercised	(128,125)	0.1
Balance – December 31, 2019	10,295,585	

The fair value of the stock options granted during 2019 was determined to be $89,653 (2018 – $1,103,588). The fair value of the stock options was determined using the Black-Scholes option pricing model. The assumptions used in this option pricing model were as follows: average risk-free interest rate of 1.96% (2018 – 0.50%); expected average volatility of 24.97% (2018 – 55%); expected stock option life of six years (2018 – five years); and expected annual dividends of $nil (2018 – $nil).

The Company recorded a total stock-based compensation expense of $366,410 (2018 – $459,946), which has been recognized as an expense within salaries expense.

9 Related party transactions

During the current fiscal year, the Company incurred $150,727 (2018 – $155,072) of consulting expenses for facilities and agencies owned by shareholders of the Company. The transactions were recorded at their exchange amount, which is the consideration paid or received, as established and agreed to by the related parties.

10 Income taxes

Federal and provincial non-capital losses and investment tax credits will expire as follows:

	Federal and provincial non-capital losses $	Investment tax credits $
2028	1,532	-
2029	191,161	8,418
2030	721,126	90,751
2031	2,067,577	186,599
2032	2,121,015	443,439
2033	1,624,492	220,650
2034	2,737,512	107,113
2035	6,228,053	451,086
2036	7,170,396	495,496
2037	14,869,179	192,645
2038	12,772,646	128,383
2039	13,328,410	257,613
	63,833,099	2,582,193

For the year ended December 31, 2019, the Company recorded $1,294,333 (2018 – $1,434,618) as a reduction in SR&ED expenses related to refundable investment tax credits.

As at December 31, 2019, the Company had $26,177,493 (2018 – $24,093,325) in SR&ED expenditures that may be used to reduce taxable income in future years.

11 Financial instruments

Foreign currency risk

The Company is exposed to market risk from changes in foreign currency exchange rates, through transactions conducted in currencies other than the US dollars, and through its convertible preferred shares, denominated in Canadian dollars, which could affect operating results, financial position and cash flows. All of the Company's sales are made in US dollars. The Company manages its exposure to these market risks through its regular operating and financing activities.

Credit risk

Certain of the Company's financial assets, including cash and cash equivalents, are exposed to credit risk. Credit risk on financial instruments arises from the potential for counterparties to default on their contractual obligations to the Company.

The Company is also exposed, in its normal course of business, to credit risk from its customers. For the year ended December 31, 2019, the Company's largest customer accounted for 48% (2018 – 78%) of revenue. In order to minimize the risk of loss for accounts receivable, the Company's extension of credit to customers involves a review by management and third party insurance on accounts receivable. The majority of the Company's sales are invoiced with payment terms up to 30 days. The Company's objective is to minimize its exposure to credit risk from customers in order to prevent losses on financial assets by performing regular monitoring of overdue balances and to provide an allowance for potentially uncollectible accounts receivable.

Liquidity risk

Liquidity risk is the risk the Company will not have sufficient cash resources to meet its financial obligations as they come due. As described in note 1, the Company's liquidity, operating results and ability to meet its obligations as they fall due may be adversely affected if its ability to raise financing through loans or capital is hindered.

The Company generates cash flows primarily from its financing activities and participation in grant programs. As at December 31, 2019, the Company had cash and investment tax credits totalling $3,285,195 (2018 – $11,448,906) to settle current liabilities of $1,321,276 (2018 – $2,217,350).

The Company regularly evaluates its overall cash position and forecasted cash flows to ensure preservation and security of capital as well as maintenance of liquidity. All of the Company's financial liabilities are subject to normal trade terms.

Interest rate risk

The Company is exposed to interest rate fluctuations on its floating rate debt from Comerica Bank as included in loans.

12 Commitments

The Company is committed under an operating lease for office premises and is also committed to purchase software licences. The future minimum lease payments under the terms of this lease are as follows:

	$
2020	1,327,394
2021	302,737
	1,630,131

13 Subsequent event

Subsequent to year-end, the COVID-19 pandemic began causing significant financial market declines and social dislocation. The situation is dynamic with various cities and countries around the world responding in different ways to address the outbreak. The extent of the effect of the COVID-19 pandemic on the Company's business activities is unknown at this point, but it could impact the future demand and market prices for its services and its ability to raise necessary financing (see notes 1 and 11).

EXHIBIT “G”

EXHIBIT "G"

referred to in the Affidavit of

RONALD GLIBBERY

Sworn June 2, 2020

DocuSigned by:
Nicholas Alves
2C12EFAB5242430...

Commissioner for Taking Affidavits

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

RESPONSE CONTAINS: APPROXIMATELY 10 FAMILIES and 24 PAGES.

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

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   FAMILY :   1 OF  10       ENQUIRY PAGE :   1 OF  24

SEARCH  : BD  : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 667512126   EXPIRY DATE : 04FEB 2021 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 2          MV SCHEDULE ATTACHED :
REG NUM : 20110204 1054 1590 6289 REG TYP: P  PPSA    REG PERIOD: 5
02 IND DOB :            IND NAME:
03 BUS NAME: PERASO TECHNOLOGIES INC.
OCN :
04 ADDRESS : 144 FRONT STREET WEST, SUITE 685
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5N 1N5
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :
COMERICA BANK
09 ADDRESS : 200 BAY STREET, SUITE 2210, ROYAL BANK
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5J 2J2
CONS.                               MV                   DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10        X      X      X      X      X
YEAR MAKE                      MODEL               V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: MCMILLAN LLP (PF/AL/00201689)
17 ADDRESS : 181 BAY ST., STE. 4400, BROOKFIELD PLACE
CITY    : TORONTO                 PROV: ON     POSTAL CODE: M5J 2T3
```

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 10   ENQUIRY PAGE : 2 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 667512126   EXPIRY DATE : 04FEB 2021 STATUS :
01 CAUTION FILING :   PAGE : 002 OF 2   MV SCHEDULE ATTACHED :
REG NUM : 20110204 1054 1590 6289 REG TYP: REG PERIOD:
02 IND DOB :   IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY :   PROV: POSTAL CODE:
05 IND DOB :   IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY :   PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS : PLAZA, SOUTH TOWER
CITY :   PROV: POSTAL CODE:
CONS.   MV   DATE OF   OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL   AMOUNT   MATURITY   MAT DATE
10
YEAR MAKE   MODEL   V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT:
17 ADDRESS :
CITY :   PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 1 OF 10 ENQUIRY PAGE : 3 OF 24

```
SEARCH  : BD  : PERASO TECHNOLOGIES INC.
FILE NUMBER 667512126
PAGE   TOT                   REGISTRATION NUM      REG TYPE
01 CAUTION  :     001 OF 1    MV SCHED:     20150924 1153 5064 8671
21 REFERENCE FILE NUMBER : 667512126
22 AMEND PAGE:     NO PAGE:    CHANGE: B  RENEWAL REN YEARS: 05   CORR PER:
23 REFERENCE DEBTOR/    IND NAME:
24       TRANSFEROR:    BUS NAME: PERASO TECHNOLOGIES INC

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28       :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY:                         PROV:       POSTAL CODE:


29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY    :                         PROV :       POSTAL CODE :
CONS.                             MV                     DATE OF      NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER   INCL      AMOUNT       MATURITY OR  MAT DATE
10
11
12
13
14
15
16 NAME : SECUREFACT TRANSACTION SERVICES, INC.
17 ADDRESS : 300-350 BAY STREET
CITY    : TORONTO                 PROV : ON    POSTAL CODE : M5H 2S6
```

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

```
          MINISTRY OF CONSUMER AND BUSINESS SERVICES
          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
                      ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020


2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

   FAMILY :   1 OF  10       ENQUIRY PAGE :   4 OF  24

SEARCH  : BD  : PERASO TECHNOLOGIES INC.
FILE NUMBER 667512126
PAGE   TOT                   REGISTRATION NUM      REG TYPE
01 CAUTION  :     001 OF 3    MV SCHED:     20200115 1019 1590 4829
21 REFERENCE FILE NUMBER : 667512126
22 AMEND PAGE:     NO PAGE: X  CHANGE: A  AMNDMNT REN YEARS:      CORR PER:
23 REFERENCE DEBTOR/    IND NAME:
24       TRANSFEROR:    BUS NAME: PERASO TECHNOLOGIES INC.

25 OTHER CHANGE:
26 REASON: AMENDED TO (I) REFERENCE A CHANGE TO THE COLLATERAL CLASSIFICATION
27 /DESCR: FROM "INVENTORY", "EQUIPMENT", "ACCOUNTS", "OTHER" AND "MOTOR
28       : VEHICLES" TO "ACCOUNTS" AND "OTHER" ONLY, AND (II) ADD THE BELOW
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY:                        PROV:       POSTAL CODE:


29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY    :                         PROV :       POSTAL CODE :
CONS.                             MV                     DATE OF      NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER   INCL      AMOUNT       MATURITY OR  MAT DATE
10                    X     X
11
12
13 THE SUM OF (I) C$25,000 HELD IN COMERICA BANK, CANADA BRANCH TWO DAY
14 NOTICE DEPOSIT REFERENCE NUMBER 126910 AT COMERICA BANK, AND (II)
15 US$10,000 HELD IN COMERICA BANK, CANADA BRANCH TWO DAY NOTICE DEPOSIT
16 NAME : MCMILLAN LLP (PF/AL/201689)
17 ADDRESS : 181 BAY ST, SUITE 4400, BROOKFIELD PLACE
CITY    : TORONTO                 PROV : ON    POSTAL CODE : M5J 2T3

CONTINUED

  *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***
```

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 1 OF 10 ENQUIRY PAGE : 5 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.
FILE NUMBER 667512126
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 002 OF 3 MV SCHED: 20200115 1019 1590 4829
21 REFERENCE FILE NUMBER : 667512126
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
26 REASON: GENERAL COLLATERAL DESCRIPTION
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
10
11
12
13 REFERENCE NUMBER 126909 AT COMERICA BANK (OR ANY AND ALL OTHER
14 DEPOSIT ACCOUNT(S) OF THE DEBTOR ESTABLISHED WITH COMERICA BANK FROM
15 TIME TO TIME IN REPLACEMENT OR SUBSTITUTION THEREFOR INCLUDING ANY
16 NAME :
17 ADDRESS :
CITY : PROV : POSTAL CODE :

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 1 OF 10 ENQUIRY PAGE : 6 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.
FILE NUMBER 667512126
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 003 OF 3 MV SCHED: 20200115 1019 1590 4829
21 REFERENCE FILE NUMBER : 667512126
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
10
11
12
13 DEPOSIT ACCOUNT(S) ESTABLISHED WITH A NEW ACCOUNT NUMBER, WHETHER
14 REQUIRED BY COMERICA BANK, UPON MATURITY OR RENEWAL OF ANY TIME
15 DEPOSIT OR OTHERWISE) AND ALL INTEREST PAID THEREON.
16 NAME :
17 ADDRESS :
CITY : PROV : POSTAL CODE :

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

SEARCH : BD : PERASO TECHNOLOGIES INC.

```
00 FILE NUMBER : 674037882   EXPIRY DATE : 01NOV 2021 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 5          MV SCHEDULE ATTACHED :
REG NUM : 20111101 1115 5064 8097 REG TYP: P  PPSA    REG PERIOD: 10
02 IND DOB :            IND NAME:
03 BUS NAME: PERASO TECHNOLOGIES INC.
OCN :
04 ADDRESS : 144 FRONT STREET WEST, SUITE 685
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5J 2L7
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:


08 SECURED PARTY/LIEN CLAIMANT :
ELECTRO RENT LLC
09 ADDRESS : 210 BRUNEL ROAD
CITY    : MISSISSAUGA             PROV: ON    POSTAL CODE: L4Z 1T5
CONS.                               MV                 DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT      MATURITY    MAT DATE
10              X
YEAR MAKE                      MODEL              V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 AT-81180A 4GSA/S ARBITRARY WAVEFORM GENERATOR, ASSET NO. 434158H,
14 SERIAL NO. IL50280148.   AT-81180A-264 2CH 4GSA/S ARBITRARY WAVEFORM
15 GENERATOR. 64M SAMPLE MEMORY PER CHANNEL, ASSET NO. 434159F, SERIAL
16 AGENT: SECUREFACT TRANSACTION SERVICES, INC.
17 ADDRESS : 350 BAY STREET, SUITE 300
CITY    : TORONTO                 PROV: ON     POSTAL CODE: M5H 2S6
```

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 10 ENQUIRY PAGE : 8 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 674037882 EXPIRY DATE : 01NOV 2021 STATUS :
01 CAUTION FILING : PAGE : 002 OF 5 MV SCHEDULE ATTACHED :
REG NUM : 20111101 1115 5064 8097 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 NO. IL50280148. AT-81180A-F4G FILTER SET (4GSA/S) FOR ONE CHANNEL,
14 ASSET NO. 434160A, SERIAL NO. IL50280148. AT-MSO9404A INFINIIUM MSO
15 - 4 GHZ, 10/20 GSA/S, 4+16 CH, ASSET NO. 434165A, SERIAL NO.
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

SEARCH : BD : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 674037882 EXPIRY DATE : 01NOV 2021 STATUS :
01 CAUTION FILING : PAGE : 003 OF 5 MV SCHEDULE ATTACHED :
REG NUM : 20111101 1115 5064 8097 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 MY51260195. AT-1131A PROBE AMPLIFIER - INFINIIMAX, 3.5 GHZ, ASSET
14 NO. 434161I, SERIAL NO. US49410952. AT-1131A PROBE AMPLIFIER -
15 INFINIIMAX, 3.5 GHZ, ASSET NO. 434162G, SERIAL NO. US49410948.
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

SEARCH : BD : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 674037882 EXPIRY DATE : 01NOV 2021 STATUS :
01 CAUTION FILING : PAGE : 004 OF 5 MV SCHEDULE ATTACHED :
REG NUM : 20111101 1115 5064 8097 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 AT-E2669A CONNECTIVITY KIT, INFINIIMAX - FOR DIFFERENTIAL
14 MEASUREMENTS, ASSET NO. 434163E, SERIAL NO. US49410950. AT-E2669A
15 CONNECTIVITY KIT, INFINIIMAX - FOR DIFFERENTIAL MEASUREMENTS, ASSET
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 10 ENQUIRY PAGE : 11 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 674037882 EXPIRY DATE : 01NOV 2021 STATUS :
01 CAUTION FILING : PAGE : 005 OF 5 MV SCHEDULE ATTACHED :
REG NUM : 20111101 1115 5064 8097 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:

CONS. GOODS	INVTRY.	EQUIP	ACCTS	OTHER	MV INCL	AMOUNT	DATE OF MATURITY	OR NO FIXED MAT DATE

10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 NO. 434164C, SERIAL NO. N/A.
14
15
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 3 OF 10 ENQUIRY PAGE : 12 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

```
00 FILE NUMBER : 676742013   EXPIRY DATE : 09MAR 2022 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 2          MV SCHEDULE ATTACHED :
REG NUM : 20120309 1236 5064 2715 REG TYP: P  PPSA    REG PERIOD: 10
02 IND DOB :            IND NAME:
03 BUS NAME: PERASO TECHNOLOGIES INC.
OCN :
04 ADDRESS : 144 FRONT STREET WEST, SUITE 685
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5J 2L7
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :
ELECTRO RENT LLC
09 ADDRESS : 210 BRUNEL ROAD
CITY    : MISSISSAUGA             PROV: ON    POSTAL CODE: L4Z 1T5
CONS.                               MV                    DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10               X
YEAR MAKE                      MODEL               V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 RS-FSUP26/P2 20HZ-26.5GHZ SIGNAL SOURCE ANALYZER WITH INTEGRATED
14 SPECTRUM ANALYZER/B10- EXTERNAL GENERATOR CONTRL/B18-REMOVABLE HARD
15 DISK/B21-LO/IF CONNECTIONS FOR EXS/B23-3.6-26.5GHZ PREAMP/B25-ELEC
16 AGENT: SECUREFACT TRANSACTION SERVICES, INC.
17 ADDRESS : 350 BAY STREET, SUITE 300
CITY    : TORONTO                 PROV: ON     POSTAL CODE: M5H 2S6
```

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 3 OF 10 ENQUIRY PAGE : 13 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 676742013 EXPIRY DATE : 09MAR 2022 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20120309 1236 5064 2715 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 ATTENUATOR W PREAMP/B4-OCXO LOW AGING/B60-LOW PHASE NOISE
14 BOARD/B61V23-CROSS CORR FREQ W/PREAMP, ASSET NO.1397434H
15
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 4 OF 10 ENQUIRY PAGE : 14 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 703450458 EXPIRY DATE : 05FEB 2025 STATUS :
01 CAUTION FILING : PAGE : 001 OF 4 MV SCHEDULE ATTACHED :
REG NUM : 20150205 1158 5064 9012 REG TYP: P PPSA REG PERIOD: 10
02 IND DOB : IND NAME:
03 BUS NAME: PERASO TECHNOLOGIES INC.
OCN :
04 ADDRESS : 144 FRONT STREET WEST, SUITE 685
CITY : TORONTO PROV: ON POSTAL CODE: M5J 2L7
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
ELECTRO RENT LLC
09 ADDRESS : 210 BRUNEL ROAD
CITY : MISSISSAUGA PROV: ON POSTAL CODE: L4Z 1T5

	CONS. GOODS	INVTRY.	EQUIP	ACCTS	OTHER	MV INCL	AMOUNT	DATE OF MATURITY	OR NO FIXED MAT DATE
10			X						

YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 ONE KT-M8190A ARBITRARY WAVEFORM GENERATOR 14 BIT / 8GSA/S AND, ASSET
14 NO. 434499B, SERIAL NO. MY52200843 ONE KT-M8190A-002 ARBITRARY
15 WAVEFORM GENERATOR, 2 CHANNELS, ASSET NO. 434500C, SERIAL NO.
16 AGENT: SECUREFACT TRANSACTION SERVICES, INC.
17 ADDRESS : 300-350 BAY STREET
CITY : TORONTO PROV: ON POSTAL CODE: M5H 2S6

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 4 OF 10 ENQUIRY PAGE : 15 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 703450458 EXPIRY DATE : 05FEB 2025 STATUS :
01 CAUTION FILING : PAGE : 002 OF 4 MV SCHEDULE ATTACHED :
REG NUM : 20150205 1158 5064 9012 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 MY52200843 ONE KT-M8190A-14B 14 BIT RESOLUTION WITH 8 GSA/S, ASSET
14 NO. 434501A, SERIAL NO MY52200843 ONE KT-M8190A-BU2 BUNDLE 2
15 CONSISTING OF M9502A AXIE CHASSIS WI, ASSET NO 434502I, SERIAL NO.
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 4 OF 10 ENQUIRY PAGE : 16 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 703450458 EXPIRY DATE : 05FEB 2025 STATUS :
01 CAUTION FILING : PAGE : 003 OF 4 MV SCHEDULE ATTACHED :
REG NUM : 20150205 1158 5064 9012 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 MY52200843 ONE KT-M9045B PCIE EXPRESSCARD ADAPTER- GEN 1, X1, ASSET
14 NO 434503G, SERIAL NO. MY52200843 ONE KT-M9502A-CFG001 AXIE CHASSIS-
15 2-SLOT WITH INTEGRATED SYSTEM, ASSET NO. 434504E, SERIAL NO.
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

```
          MINISTRY OF CONSUMER AND BUSINESS SERVICES
          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
                      ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020


1C FINANCING STATEMENT / CLAIM FOR LIEN

   FAMILY :   4 OF  10       ENQUIRY PAGE :  17 OF  24

SEARCH  : BD  : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 703450458   EXPIRY DATE : 05FEB 2025 STATUS :
01 CAUTION FILING :          PAGE : 004 OF 4          MV SCHEDULE ATTACHED :
REG NUM : 20150205 1158 5064 9012 REG TYP:            REG PERIOD:
02 IND DOB :             IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:
05 IND DOB :             IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:
CONS.                               MV                    DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10
YEAR MAKE                       MODEL              V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 MY52200843 ONE KT-Y1200B PCIE CABLE- X1 TO X8, 2.0M, ASSET NO.
14 434505C, SERIAL NO. MY52200843
15
16 AGENT:
17 ADDRESS :
CITY    :                         PROV:        POSTAL CODE:

END OF FAMILY

  *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***
```

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 5 OF 10 ENQUIRY PAGE : 18 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

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00 FILE NUMBER : 758928465   EXPIRY DATE : 30DEC 2032 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 1          MV SCHEDULE ATTACHED :
REG NUM : 20191230 1440 9234 9769 REG TYP: P  PPSA    REG PERIOD: 13
02 IND DOB :            IND NAME:
03 BUS NAME: PERASO TECHNOLOGIES INC.
OCN :
04 ADDRESS : 144 FRONT STREET WEST, SUITE 685
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5J 2L7
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :
ROADMAP PERASO LP III
09 ADDRESS : 130 BLOOR STREET WEST, SUITE 603
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5S 1N5
CONS.                               MV                  DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10        X      X      X      X      X
YEAR MAKE                      MODEL              V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: STIKEMAN ELLIOTT LLP
17 ADDRESS : 5300 COMMERCE COURT WEST, 199 BAY STREET
CITY    : TORONTO                 PROV: ON     POSTAL CODE: M5L 1B9
```

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 6 OF 10 ENQUIRY PAGE : 19 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

```
00 FILE NUMBER : 760932333   EXPIRY DATE : 16MAR 2025 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 1          MV SCHEDULE ATTACHED :
REG NUM : 20200316 1056 9234 0850 REG TYP: P  PPSA    REG PERIOD: 5
02 IND DOB :            IND NAME:
03 BUS NAME: PERASO TECHNOLOGIES INC.
OCN :
04 ADDRESS : 144 FRONT STREET WEST, SUITE 685
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5J 2L7
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :
ROADMAP PERASO LP III
09 ADDRESS : 130 BLOOR STREET WEST, SUITE 603
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5S 1N5
CONS.                               MV                   DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10        X      X      X      X      X
YEAR MAKE                      MODEL              V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: STIKEMAN ELLIOTT LLP
17 ADDRESS : 5300 COMMERCE COURT WEST, 199 BAY STREET
CITY    : TORONTO                 PROV: ON     POSTAL CODE: M5L 1B9
```

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 7 OF 10 ENQUIRY PAGE : 20 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

```
00 FILE NUMBER : 760932342   EXPIRY DATE : 16MAR 2025 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 1          MV SCHEDULE ATTACHED :
REG NUM : 20200316 1056 9234 0851 REG TYP: P  PPSA    REG PERIOD: 5
02 IND DOB :            IND NAME:
03 BUS NAME: PERASO TECHNOLOGIES INC.
OCN :
04 ADDRESS : 144 FRONT STREET WEST, SUITE 685
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5J 2L7
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :
ROADMAP PERASO LP III (U.S. AND OFFSHORE)
09 ADDRESS : 130 BLOOR STREET WEST, SUITE 603
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5S 1N5
CONS.                               MV                    DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10        X      X      X      X      X
YEAR MAKE                      MODEL               V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: STIKEMAN ELLIOTT LLP
17 ADDRESS : 5300 COMMERCE COURT WEST, 199 BAY STREET
CITY    : TORONTO                 PROV: ON     POSTAL CODE: M5L 1B9
```

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 8 OF 10 ENQUIRY PAGE : 21 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

```
00 FILE NUMBER : 761924403   EXPIRY DATE : 15MAY 2025 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 1          MV SCHEDULE ATTACHED :
REG NUM : 20200515 1332 9234 1924 REG TYP: P  PPSA    REG PERIOD: 5
02 IND DOB :            IND NAME:
03 BUS NAME: PERASO TECHNOLOGIES INC.
OCN :
04 ADDRESS : 144 FRONT STREET WEST, SUITE 685
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5J 2L7
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :
ROADMAP PERASO LP III
09 ADDRESS : 130 BLOOR STREET WEST, SUITE 603
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5S 1N5
CONS.                               MV                    DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10        X      X      X      X      X
YEAR MAKE                      MODEL               V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
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14
15
16 AGENT: STIKEMAN ELLIOTT LLP
17 ADDRESS : 5300 COMMERCE COURT WEST 199 BAY ST.
CITY    : TORONTO                 PROV: ON     POSTAL CODE: M5L 1B9
```

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 9 OF 10 ENQUIRY PAGE : 22 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

```
00 FILE NUMBER : 761924421   EXPIRY DATE : 15MAY 2025 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 1          MV SCHEDULE ATTACHED :
REG NUM : 20200515 1333 9234 1925 REG TYP: P  PPSA    REG PERIOD: 5
02 IND DOB :            IND NAME:
03 BUS NAME: PERASO TECHNOLOGIES INC.
OCN :
04 ADDRESS : 144 FRONT STREET WEST, SUITE 685
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5J 2L7
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :
ROADMAP PERASO LP III (U.S. AND OFFSHORE)
09 ADDRESS : 130 BLOOR STREET WEST, SUITE 603
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5S 1N5
CONS.                               MV                   DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10        X      X      X      X      X
YEAR MAKE                      MODEL                V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
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14
15
16 AGENT: STIKEMAN ELLIOTT LLP
17 ADDRESS : 5300 COMMERCE COURT WEST 199 BAY ST.
CITY    : TORONTO                 PROV: ON     POSTAL CODE: M5L 1B9
```

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 10 OF 10 ENQUIRY PAGE : 23 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

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00 FILE NUMBER : 761924439   EXPIRY DATE : 15MAY 2025 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 2          MV SCHEDULE ATTACHED :
REG NUM : 20200515 1333 9234 1926 REG TYP: P  PPSA    REG PERIOD: 5
02 IND DOB :            IND NAME:
03 BUS NAME: PERASO TECHNOLOGIES INC.
OCN :
04 ADDRESS : 144 FRONT STREET WEST, SUITE 685
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5J 2L7
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :
POLAR MULTI-STRATEGY MASTER FUND
09 ADDRESS : 401 BAY STREET, SUITE 1900, PO BOX 19
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5H 2Y4
CONS.                               MV                   DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10        X      X      X      X      X
YEAR MAKE                      MODEL              V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: STIKEMAN ELLIOTT LLP
17 ADDRESS : 5300 COMMERCE COURT WEST 199 BAY ST.
CITY    : TORONTO                 PROV: ON     POSTAL CODE: M5L 1B9
```

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: PERASO TECHNOLOGIES INC.

FILE CURRENCY: May 24, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 10 OF 10 ENQUIRY PAGE : 24 OF 24

SEARCH : BD : PERASO TECHNOLOGIES INC.

00 FILE NUMBER : 761924439 EXPIRY DATE : 15MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20200515 1333 9234 1926 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
POLAR ASSET MANAGEMENT PARTNERS INC.
09 ADDRESS : 401 BAY STREET, SUITE 1900, PO BOX 19
CITY : TORONTO PROV: ON POSTAL CODE: M5H 2Y4
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:
LAST SCREEN

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

EXHIBIT "H"

EXHIBIT "H"

referred to in the Affidavit of

RONALD GLIBBERY

Sworn June 2, 2020

DocuSigned by:

Nicholas Arms

2C12EFAB5242430...

Commissioner for Taking Affidavits

Peraso Technologies Inc. **Forecast Cash Flow** **thousands, USD**	**Note**	30-May-20 5-Jun-20	6-Jun-20 12-Jun-20	13-Jun-20 19-Jun-20	20-Jun-20 26-Jun-20	30-May-20 26-Jun-20
Receipts						
Sales Collections	2	-	-	-	-	-
Other Receipts	3	-	-	-	-	-
Total Receipts		0.0	0.0	0.0	0.0	0.0
Disbursements						
Personnel, Payroll & Benefits	4	107.8	273.3	9.7	267.0	657.9
Operating Expenses	5	52.4	56.0	48.5	54.3	211.3
Software and IT Expenses	6	18.9	-	12.6	-	31.5
Rent	7	56.8	-	-	12.7	69.5
Restructuring Costs	8	138.8	75.0	61.7	62.7	338.1
Total Disbursements		374.7	404.3	132.5	396.7	1,308.3
Net Cash Flow		(374.7)	(404.3)	(132.5)	(396.7)	(1,308.3)
Opening Available Cash Balance	1	1,351.9	977.2	572.9	440.4	1,351.9
Closing Available Cash Balance		977.2	572.9	440.4	43.6	43.6

In the Matter of the CCAA of Peraso Technologies Inc. (the "Applicant")

Notes to the Applicant's Unaudited Cash Flow Projection

Disclaimer:

In preparing this cash flow projection (the "**Projection**"), the Applicant has relied upon unaudited financial information and the Applicant has not attempted to further verify the accuracy or completeness of such information. The Projection includes estimates concerning the operations of the company and additional assumptions discussed below with respect to the requirements and impact of a ***Companies' Creditors Arrangement Act*** ("**CCAA**") filing. Since the Projection is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Projection period will vary from the Projection, even if the assumptions materialize, and such variation may be material. There is no representation, warranty or other assurance that any of the estimates, forecasts or projections will be realized.

Overview:

The Projection reflects cash flows from the Applicant's operations on a "business as usual" basis. The Applicant, with the assistance of the Monitor, has prepared the Projection based primarily on historical results and Peraso's current expectations.

The Projection assumes that pre-filing amounts owing to third party suppliers, excluding contractors, will be stayed, while all post-filing goods and services from and service providers will be settled in the normal course.

The cash flow projection is presented in thousands of United States dollars. Receipts and disbursements denominated in US currency have been converted into Canadian dollars using an exchange rate of CAD 1.3787 = USD 1.00.

Assumptions:

1. **Beginning balance**
   This represents the cash balance as of May 30, 2020.

2. **Sales Receipts**
   Peraso's sales receipts are based on forecast collections from opening accounts receivable and projected sales during the projection period. Collections are estimated based on revenue forecasts and customer collection experience.

3. Other

Other collections include anticipated receipts related to HST refunds, based on anticipated input tax credits and sales tax collected.

4. Personnel, Payroll & Benefits

These disbursements include payroll costs for all salaried employees and full-time contractors and are forecast based on historical run rates and expected disbursements. Salaried employees are paid bi-monthly, while contractors are paid monthly based on invoiced time. These disbursements include employment taxes, payroll processing fees and reimbursement payments. All statutory deemed trust amounts in favour of the Crown in right of Canada or any Province or other taxing authority that are required to be deducted from employee wages including, in respect of employee insurance, Canada Pension Plan and income taxes will be remitted.

5. Operating Expenses

These disbursements include business insurance, telephone services, office supplies, royalty fees, tax services, delivery services, kitchen supplies, and postage, among others.

6. Software & IT Expenses

These disbursements include all software license fees and information technologies cost, including IT supplies and equipment less than $1,500.

7. Rent

These disbursements include rental and building operating costs for facilities and equipment rental costs.

8. Restructuring costs

Restructuring costs include the estimated fees and disbursements of the Applicant's Canadian and US legal Counsel, the CCAA Monitor and its Canadian and US legal counsel.

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.

Court File No.: ________________

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

AFFIDAVIT OF RONALD GLIBBERY
SWORN JUNE 2, 2020

Stikeman Elliott LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Maria Konyukhova LSO#: 52880V
Tel: (416) 869-5230
Email: mkonyukhova@stikeman.com

Nicholas Avis LSO#: 76781Q
Tel: (416) 869-5504
Email: navis@stikeman.com
Fax: (416) 947-0866

Lawyers for the Applicant, Peraso Technologies Inc.

TAB 3

Court File No. ________________________

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE	)	WEDNESDAY, THE 3rd
	)	
JUSTICE HAINEY	)	DAY OF JUNE, 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. (the "**Applicant**")

INITIAL ORDER

THIS APPLICATION, made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") proceeded on this day by way of video-conference due to the COVID-19 crisis.

ON READING the affidavit of Ronald Glibbery sworn June 2, 2020 (the "**Glibbery Affidavit**") and the Exhibits thereto, the pre-filing report of Ernst & Young Inc., in its capacity as proposed monitor (the "**Monitor**") to the Applicant, dated June 2, 2020, 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 Applicant and counsel for the Monitor and those other parties listed on the counsel slip, no one appearing for any other party although duly served as appears from the affidavit of service of Nicholas Avis sworn June ●, 2020 and on reading the consent of Ernst & Young Inc. to act as the Monitor,

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing 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 Applicant is a company to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

3. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situated including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, contractors, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

4. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to use the central cash management system currently in place as described in the Glibbery Affidavit or replace it with another substantially similar central cash management system (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 Applicant 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 Applicant, 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.

5. **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order:

(a) all outstanding and future wages, salaries, employee benefits, vacation pay 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; and

(b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

6. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant 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; and

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

7. **THIS COURT ORDERS** that the Applicant 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 Applicant in connection with the sale of goods and services by the Applicant, 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 Applicant.

8. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is 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 the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

9. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA, have the right to continue negotiations with stakeholders in an effort to pursue restructuring options for the Applicant including without limitation all avenues of refinancing of their Business or Property, in whole or in part, subject to prior approval of this Court being obtained before any material refinancing.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

10. **THIS COURT ORDERS** that until and including June 13, 2020, or such later date as this Court may subsequently order (the "**Stay Period**"), no proceeding or enforcement process in or out of any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with

the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. **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 the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is 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

12. **THIS COURT ORDERS** that during the Stay Period, except with the written consent of the Applicant and the Monitor, or leave of this Court, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant.

CONTINUATION OF SERVICES

13. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant 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, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, 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 the Applicant, and that the Applicant shall be entitled to the continued use of its 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 Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

14. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased 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 the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

15. **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 the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant 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 Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

16. **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the 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.

17. **THIS COURT ORDERS** that the directors and officers of the Applicant 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 $650,000 as security for the indemnity provided in paragraph 16 of this Order. The Directors' Charge shall have the priority set out in paragraphs 27 and 29 herein.

18. **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) the 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 16 of this Order.

APPOINTMENT OF MONITOR

19. **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 Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant 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.

20. **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 Applicant's 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) advise the Applicant in its preparation of the Applicant's cash flow statements;

(d) 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

Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;

(e) 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;

(f) have full and complete authority to act as the representative of the Applicant in a foreign proceeding; and

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

21. **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.

22. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicant with information provided by the 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 the Applicant 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 Applicant may agree.

23. **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.

24. **THIS COURT ORDERS** that the Monitor, Canadian and U.S. counsel to the Monitor (Thornton Grout Finnigan LLP and Allen & Overy LLP) and Canadian and U.S. counsel to the Applicant (Stikeman Elliott LLP and Hodgson Russ LLP) shall be paid their reasonable fees and

disbursements, and applicable taxes, in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, Canadian and U.S. counsel to the Monitor and Canadian and U.S. counsel to the Applicant.

25. **THIS COURT ORDERS** that 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.

26. **THIS COURT ORDERS** that the Monitor, Canadian and U.S. counsel to the Monitor and Canadian and U.S. counsel to the Applicant 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 $200,000, as security for their professional fees and disbursements, plus applicable taxes, incurred at their standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 27 and 29 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

27. **THIS COURT ORDERS** that the priorities of the Directors' Charge and the Administration Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of $200,000); and

Second – Directors' Charge (to the maximum amount of $650,000).

28. **THIS COURT ORDERS** that the filing, registration or perfection of the Directors' Charge or the Administration 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.

29. **THIS COURT ORDERS** that each of the Directors' Charge and the Administration 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.

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

31. **THIS COURT ORDERS** that the Directors' Charge and the Administration 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**") 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 Applicant, and notwithstanding any provision to the contrary in any Agreement:

(a) the creation of the Charges shall not create or be deemed to constitute a breach by the 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 the creation of the Charges; and

(c) the payments made by the Applicant pursuant to this Order 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.

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

SERVICE AND NOTICE

33. **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, or as soon as reasonably practicable thereafter (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, or cause to be sent, in the prescribed manner (including by email), a notice to every known creditor who has a claim against the Applicant of more than $1,000 (excluding contractors, individual employees, former employees with pension and/or retirement savings plan entitlements, and retirees and other beneficiaries who have entitlements under any pension or retirement savings plans), 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.

34. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: www.ey.com/ca/peraso.

35. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute 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 facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile 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.

36. **THIS COURT ORDERS** that the Applicant and the Monitor and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

CHAPTER 15 PROCEEDINGS

37. **THIS COURT ORDERS** that the Monitor is hereby authorized and empowered, but not required, to act as the foreign representative (the "**Foreign Representative**") in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside of Canada, including, if deemed advisable by the Monitor, to apply for recognition of these proceedings in the United States pursuant to chapter 15 of title 11 of the *United States Code*, 11 U.S.C. §§ 101-1532.

GENERAL

38. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their respective powers and duties hereunder.

39. **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 the Applicant, the Business or the Property.

40. **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 Applicant, 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 Applicant 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 Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

41. **THIS COURT ORDERS** that each of the Applicant 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.

42. **THIS COURT ORDERS** that any interested party (including the Applicant 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.

43. **THIS COURT ORDERS** that this Order and all of its provisions are effective from the date it is made without any need for entry and filing.

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.

Court File No.: ________________________

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

INITIAL ORDER

Stikeman Elliott LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

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Lawyers for the Applicant

TAB 4

Court File No. ______________

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE	)	~~WEEKDAY~~WEDNESDAY, THE ~~#~~ 3rd
	)	
JUSTICE HAINEY	)	DAY OF ~~MONTH~~JUNE, ~~20YR~~ 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 ~~[APPLICANT'S NAME]~~ PERASO TECHNOLOGIES INC. (the "**Applicant**")

INITIAL ORDER

THIS APPLICATION, made by the Applicant, 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~~proceeded on this day by way of video-conference due to the COVID-19 crisis.

ON READING the affidavit of ~~[NAME]~~ Ronald Glibbery sworn ~~[DATE]~~ June 2, 2020 (the "**Glibbery Affidavit**") and the Exhibits thereto, the pre-filing report of Ernst & Young Inc., in its capacity as proposed monitor (the "**Monitor**") to the Applicant, dated June 2, 2020, 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 ~~[NAMES]~~the Applicant and counsel for the Monitor and those other parties listed on the counsel slip, no one appearing for ~~[NAME]~~[1] any other party although duly served as appears from the affidavit of service of ~~[NAME]~~ Nicholas Avis sworn ~~[DATE]~~ June ●, 2020 and on reading the consent of ~~[MONITOR'S NAME]~~ Ernst & Young Inc. to act as the Monitor,

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Application and the Application Record is hereby abridged and validated[2] so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

~~**PLAN OF ARRANGEMENT**~~

~~3. THIS COURT ORDERS that the Applicant 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

3. ~~4.~~**THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever ~~situate~~ situated including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is

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~~[1] Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).~~

~~[2] If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.~~

authorized and empowered to continue to retain and employ the employees, contractors, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

4. ~~5.[~~**THIS COURT ORDERS** that the Applicant shall be entitled to continue to ~~utilize~~ use the central cash management system[3] currently in place as described in the Glibbery Affidavit ~~of [NAME] sworn [DATE]~~ or replace it with another substantially similar central cash management system (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 Applicant 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 Applicant, 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.~~]~~

5. ~~6.~~**THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to~~-~~, on or after the date of this Order:

(a) all outstanding and future wages, salaries, employee ~~and pension~~ benefits, vacation pay 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; and

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~~[3] This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross-border and inter-company transfers of cash.~~

(b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

6. ~~7.~~**THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant 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; and

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

7. ~~8.~~**THIS COURT ORDERS** that the Applicant 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 Applicant in connection with the sale of goods and services by the Applicant, 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 Applicant.

~~9. THIS COURT ORDERS that until a real property lease is disclaimed **[or resiliated]**[4] in accordance with the CCAA, the Applicant 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 Applicant and the landlord from time to time ("Rent"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, 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.~~

8. ~~10.~~**THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is 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 the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

9. ~~11.~~**THIS COURT ORDERS** that the Applicant 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 ~~:~~continue negotiations with stakeholders in an effort to pursue restructuring options for the Applicant including without limitation all avenues of refinancing of their Business or Property, in whole or in part, subject to prior approval of this Court being obtained before any material refinancing.

~~[4] The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

~~(a) permanently or temporarily cease, downsize or shut down any of its business or operations,~~ ~~**[and to dispose of redundant or non-material assets not exceeding $● in any one transaction or $● in the aggregate]**~~[5]

~~(b) **[terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate]**; and~~

~~(c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,~~

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

~~12. THIS COURT ORDERS that the Applicant shall provide each of the relevant landlords with notice of the 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 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 Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims **[or resiliates]** 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~~

~~[5] Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.~~

~~the disclaimer **[or resiliation]** of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.~~

~~13. THIS COURT ORDERS that if a notice of disclaimer **[or resiliation]** is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer **[or resiliation]**, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer **[or resiliation]**, 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 the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.~~

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

10. ~~14.~~**THIS COURT ORDERS** that until and including ~~[DATE – MAX. 30 DAYS]~~June 13, 2020, or such later date as this Court may subsequently order (the "**Stay Period**"), no proceeding or enforcement process in or out of any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. ~~15.~~**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 the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any

business which the Applicant is 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

12. ~~16.~~**THIS COURT ORDERS** that during the Stay Period, except with the written consent of the Applicant and the Monitor, or leave of this Court, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant~~,~~ ~~except with the written consent of the Applicant and the Monitor, or leave of this Court.~~.

CONTINUATION OF SERVICES

13. ~~17.~~**THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant 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, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, 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 the Applicant, and that the Applicant shall be entitled to the continued use of its 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 Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

14. ~~18.~~**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~~ leased

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 the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.[6]

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

15. ~~19.~~**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 the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant 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 Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

16. ~~20.~~**THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings,[7] 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.

~~[6] This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).~~

~~[7] The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.~~

17. ~~21.~~**THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**")[8] on the Property, which charge shall not exceed an aggregate amount of $~~●,~~ 650,000 as security for the indemnity provided in paragraph ~~**[20]**~~ 16 of this Order. The Directors' Charge shall have the priority set out in paragraphs ~~**[38]**~~ 27 and ~~**[40]**~~ 29 herein.

18. ~~22.~~**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) the 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 ~~**[20]**~~ 16 of this Order.

APPOINTMENT OF MONITOR

19. ~~23.~~**THIS COURT ORDERS** that ~~[MONITOR'S NAME]~~ 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 Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant 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.

20. ~~24.~~**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 Applicant's receipts and disbursements;

~~[8] Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

(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 Applicant, to the extent required by the Applicant, in its dissemination, to the DIP Lender and its counsel on a [TIME INTERVAL] basis of financial and other information as agreed to between the Applicant and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;~~

(c) ~~(d)~~advise the Applicant in its preparation of the Applicant's cash flow statements ~~and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by the DIP Lender~~;

~~(e) advise the Applicant in its development of the Plan and any amendments to the Plan;~~

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

(d) ~~(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 Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;

(e) ~~(h)~~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~~

(f) have full and complete authority to act as the representative of the Applicant in a foreign proceeding; and

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

21. ~~25.~~**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.

~~26. 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.~~

22. ~~27.~~**THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicant ~~and the DIP Lender~~ with information provided by the 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 the Applicant 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 Applicant may agree.

23. ~~28.~~**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.

24. ~~29.~~**THIS COURT ORDERS** that the Monitor, Canadian and U.S. counsel to the Monitor ~~and~~ (Thornton Grout Finnigan LLP and Allen & Overy LLP) and Canadian and U.S. counsel to the Applicant (Stikeman Elliott LLP and Hodgson Russ LLP) shall be paid their reasonable fees and disbursements, and applicable taxes, in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, Canadian and U.S. counsel ~~for~~ to the Monitor and Canadian and U.S. counsel ~~for the Applicant on a [TIME INTERVAL] basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant, retainers in the amount[s] of $● [, respectively,] to be held by them as security for payment of their respective fees and disbursements outstanding from time to time~~to the Applicant.

25. ~~30.~~**THIS COURT ORDERS** that 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.

26. ~~31.~~**THIS COURT ORDERS** that the Monitor, Canadian and U.S. counsel to the Monitor~~, if any,~~ and Canadian and U.S. counsel to the Applicant~~'s counsel~~ 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 $~~●~~200,000, as security for their professional fees and disbursements~~,~~, plus applicable taxes, incurred at ~~the~~ their standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in

respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~**[38]**~~ 27 and ~~**[40]**~~ 29 hereof.

~~**DIP FINANCING**~~

~~32. THIS COURT ORDERS that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from [DIP LENDER'S NAME] (the "DIP Lender") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed $● unless permitted by further Order of this Court.~~

~~33. THIS COURT ORDERS THAT such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Applicant and the DIP Lender dated as of [DATE] (the "Commitment Letter"), filed.~~

~~34. THIS COURT ORDERS that the Applicant is 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 Commitment Letter or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.~~

~~35. THIS COURT ORDERS that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "DIP Lender's Charge") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs **[38]** and **[40]** hereof.~~

~~36. THIS COURT ORDERS that, notwithstanding any other provision of this Order:~~

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

~~(b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon ● days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the Commitment Letter, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and~~

~~(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.~~

~~37. THIS COURT ORDERS AND DECLARES that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.~~

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

27. ~~38.~~**THIS COURT ORDERS** that the priorities of the Directors' Charge~~,~~ and the Administration ~~Charge and the DIP Lender's~~ Charge, as among them, shall be as follows[9]:

First – Administration Charge (to the maximum amount of $~~●~~200,000); and

~~Second – DIP Lender's Charge; and~~

~~Third~~ Second – Directors' Charge (to the maximum amount of $~~●~~650,000).

28. ~~39.~~**THIS COURT ORDERS** that the filing, registration or perfection of the Directors' Charge~~,~~ or the Administration ~~Charge or the DIP Lender's~~ 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.

29. ~~40.~~**THIS COURT ORDERS** that each of the Directors' Charge~~,~~ and the Administration ~~Charge and the DIP Lender's~~ 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.

30. ~~41.~~**THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge~~,~~ or the Administration Charge ~~or the DIP Lender's Charge,~~ unless the Applicant also obtains the

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~~[9] The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

prior written consent of the Monitor, ~~the DIP Lender~~ and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

31. ~~42.~~ **THIS COURT ORDERS** that the Directors' Charge~~,~~ and the Administration Charge, ~~the Commitment Letter, the Definitive Documents and the DIP Lender's 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 Lender~~ 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 Applicant, 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 Commitment Letter or the Definitive Documents shall~~ shall not create or be deemed to constitute a breach by the 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 the ~~Applicant entering into the Commitment Letter, the~~ creation of the Charges~~, or the execution, delivery or performance of the Definitive Documents~~; and

(c) the payments made by the Applicant pursuant to this Order~~, the Commitment Letter 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.

32. ~~43.~~**THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

33. ~~44.~~**THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in ~~[newspapers specified by the Court]~~ the Globe & Mail (national edition) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, or as soon as reasonably practicable thereafter (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, or cause to be sent, in the prescribed manner (including by email), a notice to every known creditor who has a claim against the Applicant of more than ~~$1000~~$1,000 (excluding contractors, individual employees, former employees with pension and/or retirement savings plan entitlements, and retirees and other beneficiaries who have entitlements under any pension or retirement savings plans), 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.

34. ~~45.~~**THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at ~~http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/~~http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ~~'<@>'~~: www.ey.com/ca/peraso.

35. ~~46.~~**THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to

serve or distribute 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 facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile 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.

36. **THIS COURT ORDERS** that the Applicant and the Monitor and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

CHAPTER 15 PROCEEDINGS

37. **THIS COURT ORDERS** that the Monitor is hereby authorized and empowered, but not required, to act as the foreign representative (the "**Foreign Representative**") in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside of Canada, including, if deemed advisable by the Monitor, to apply for recognition of these proceedings in the United States pursuant to chapter 15 of title 11 of the *United States Code*, 11 U.S.C. §§ 101-1532.

GENERAL

38. ~~47.~~**THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of ~~its~~ their respective powers and duties hereunder.

39. ~~48.~~**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 the Applicant, the Business or the Property.

40. ~~49.~~**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 Applicant, 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 Applicant 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 Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

41. ~~50.~~**THIS COURT ORDERS** that each of the Applicant 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.

42. ~~51.~~**THIS COURT ORDERS** that any interested party (including the Applicant 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.

43. ~~52.~~**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~~from the date it is made without any need for entry and filing.

~~Revised: January 21, 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 PERASO TECHNOLOGIES INC.

Court File No.: ______________________

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

INITIAL ORDER

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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.

Court File No.: ___________________

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at Toronto

APPLICATION RECORD
(Returnable June 3, 2020)

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