Court File No. CV-20-00642010-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PERASO TECHNOLOGIES INC.

Applicant

REDACTED VERSION

MOTION RECORD
(Re: Approval of Second DIP Agreement)
(Returnable August 20, 2020)

August 19, 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

Court File No. CV-20-00642010-00CL

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

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REDACTED VERSION

MOTION RECORD

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TAB 1

Court File No. CV-20-00642010-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PERASO TECHNOLOGIES INC.

Applicant

NOTICE OF MOTION
(Re: Approval of Second DIP Agreement)
(Returnable August 20, 2020)

Peraso Technologies Inc. will make a motion to Justice Conway of the Ontario Superior Court of Justice (Commercial List) on Thursday, August 20, 2020 at 10:30 a.m., or as soon after that time as the motion can be heard by videoconference via Zoom due to the COVID-19 crisis. The videoconference details can be found in Schedule "A" to this Notice of Motion. Please advise Nicholas Avis if you intend to join the hearing of this motion by emailing navis@stikeman.com.

PROPOSED METHOD OF HEARING:

This motion is to be heard by videoconference.

THE MOTION IS FOR:

1. An Order (the "**Second DIP Approval Order**"), substantially in the form contained at Tab 3 of the Applicant's Motion Record, that, *inter alia*:

(a) approves the debtor-in-possession financing agreement (the "**Second DIP Agreement**") between the Applicant, as borrower, and Roadmap Capital General Partner Ltd. and Roadmap Peraso LP III (U.S. and Offshore) (collectively, the "**Second DIP Lenders**"), as lenders, and grants a charge over the Applicant's property in favour of the Second DIP Lenders (the "**Second DIP Lenders' Charge**"); and

(b) seals certain portions of the unredacted Affidavit of Ronald Glibbery affirmed August 19, 2020 (the "**Sixth Glibbery Affidavit**"); the unredacted Second DIP Agreement; and the unredacted Fourth Report of the Monitor (the "**Fourth Report**").

THE GROUNDS FOR THIS MOTION ARE:

Background

2. On June 3, 2020, the Applicant sought and received an Initial Order granting it protection under the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36 (the "**CCAA**") due to, among other things, a pending liquidity crisis;

3. To alleviate its liquidity constraints, on July 2, 2020, the Applicant sought and obtained an order that, among other things:

(a) approved a debtor-in-possession financing agreement (the "**First DIP Agreement**") between the Applicant, as borrower, and Roadmap Capital General Partner Ltd., Roadmap Peraso LP III (U.S. and Offshore) and XCOM Labs, Inc. (collectively, the "**First DIP Lenders**"), as lenders;

(b) granted a charge over the Applicant's property in favour of the First DIP Lenders (the "**First DIP Lenders' Charge**"); and

(c) granted a stay of proceedings to and including August 14, 2020 (the "**Stay Period**");

4. The Applicant now requires additional funds and, to this effect, has been engaged in a broad and extensive search for additional interim financing;

5. On August 13, 2020, this Court granted an order that extended the Stay Period to and including August 28, 2020;

The Search for Additional Financing

6. The Applicant contacted numerous potential lenders, many of whom entered into non-disclosure agreements to begin a due diligence process;

7. The Applicant is currently in advanced discussions with a certain number of potential interim lenders and believes that it may reach an interim lending agreement or other funding agreement with one or more of them in the coming days and weeks;

8. The Second DIP Lenders are ready and willing to provide the Applicant with short-term financing to support the Applicant while it continues discussions with the other potential interim lenders;

9. The Applicant's financial situation is such that it requires the funds provided by the Second DIP Agreement to ensure that it has sufficient liquidity to conclude and subsequently implement a transaction with one of the potential interim lenders;

The Second DIP Agreement

10. The Second DIP Agreement is a secured non-revolving credit facility that, if approved by this Court, will be advanced in full on August 20, 2020;

11. The terms of the Second DIP Agreement are substantially identical to the terms of the First DIP Agreement, albeit with an increased interest rate;

12. The Second DIP Agreement provides that any funds advanced thereunder are to be secured by the Second DIP Lenders' Charge, and the Second DIP Lenders' Charge is to have priority over the First DIP Lenders' Charge;

13. The Applicant intends to return to this Court prior to the end of the Stay Period to seek approval of a longer-term solution;

Sealing

14. The Applicant seeks to seal certain portions of the unredacted Sixth Glibbery Affidavit, the unredacted Second DIP Agreement and the unredacted Fourth Report because they contain commercially sensitive information;

15. The Applicant is concerned that Ubiquiti could use the materials requested to be sealed to the Applicant's detriment in the pending litigation between the Applicant and Ubiquiti;

16. The information that the Applicant is seeking to seal is similar in nature to the information that this Court sealed in connection with the First DIP Agreement, and the Applicant's sealing request is animated by the same concerns that the Court previously found sufficient to justify sealing;

Other Grounds

17. The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court;

18. The provisions of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, including s. 137(2) thereof;

19. The provisions of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, including r. 2.03, 3.02 and 37 thereof; and

20. Such further and other grounds as counsel may advise and this Court may permit.

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

(a) The unredacted Sixth Glibbery Affidavit and the exhibits attached thereto;

(b) The Fourth Report of the Monitor; and

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

August 19, 2020

STIKEMAN ELLIOTT LLP
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5300 Commerce Court West
199 Bay Street
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Fax: (416) 947-0866

Lawyers for the Applicant

Schedule "A"

ZOOM Particulars
August 20, 2020 at 10:30 a.m. Eastern Time (Toronto)

Join Zoom Meeting
https://zoom.us/j/99209222242?pwd=WHBBRnBVSHYzOGxaS0tKTWVBMmM1QT09
Meeting ID: 992 0922 2242
Passcode: 825347

One tap mobile
+13126266799,,99209222242#,,,,,,0#,,825347# US (Chicago)
+13462487799,,99209222242#,,,,,,0#,,825347# US (Houston)

Dial by your location
+1 312 626 6799 US (Chicago)
+1 346 248 7799 US (Houston)
+1 669 900 6833 US (San Jose)
+1 929 205 6099 US (New York)
+1 253 215 8782 US (Tacoma)
+1 301 715 8592 US (Germantown)
+1 587 328 1099 Canada
+1 647 374 4685 Canada
+1 647 558 0588 Canada
+1 778 907 2071 Canada
+1 204 272 7920 Canada
+1 438 809 7799 Canada

Meeting ID: 992 0922 2242
Passcode: 825347

Find your local number: https://zoom.us/u/abbotgEQTT

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.: CV-20-00642010-00CL

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

NOTICE OF MOTION
(RETURNABLE AUGUST 20, 2020)

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

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Fax: (416) 947-0866

Lawyers for the Applicant

TAB 2

Court File No. CV-20-00642010-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

AND IN THE MATTER OF
A PLAN OF COMPROMISE OR ARRANGEMENT OF
PERASO TECHNOLOGIES INC.

Applicant

AFFIDAVIT OF RONALD GLIBBERY
(Affirmed August 19, 2020)

I, Ronald Glibbery, of the City of Toronto, Ontario **SOLEMNLY AFFIRM AND DECLARE**:

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. As a result, I have knowledge of the matters to which I hereinafter depose, except where otherwise stated.

2. I affirm this affidavit in support of a motion by Peraso pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended for an order, substantially in the form of the draft order attached as Tab 3 of the Motion Record, that:

(a) approves the debtor-in-possession financing agreement (the "**Second DIP Agreement**") between the Applicant, as borrower, and Roadmap Capital General Partner Ltd. and Roadmap Peraso LP III (U.S. and Offshore) (collectively, the "**Second DIP Lenders**"), as lenders, and grants a charge over the Applicant's property in favour of the Second DIP Lenders (the "**Second DIP Lenders' Charge**"); and

Deponent's Initials RG

(b) seals certain portions of this Affidavit, the unredacted Second DIP Agreement, and the unredacted Fourth Report of the Monitor (the "**Fourth Report**").

A. CURRENT STATUS OF THE SEARCH FOR ADDITIONAL INTERIM FINANCING

3. On August 10, 2020, I affirmed an affidavit (the "**Fifth Glibbery Affidavit**") that described Peraso's broad and extensive efforts to obtain additional interim financing. A copy of the Fifth Glibbery Affidavit without exhibits is attached hereto and marked as **Exhibit "A"**. I noted in the Fifth Glibbery Affidavit that Peraso was in discussions with potential interim lenders and required more time to enter into a definitive agreement for additional interim financing.

4. On August 13, 2020, this Court granted an order that extended the stay of proceedings (the "**Stay Period**") to and including August 28, 2020.

5. Peraso is currently in advanced discussions with [redacted] potential interim lenders and believes that it may reach an interim lending agreement or other form of funding with at least one of them in the coming days and weeks. Peraso anticipates that if it reaches an agreement with one of these parties, such agreement will provide Peraso with a longer-term solution to its liquidity constraints.

6. While Peraso continues its discussions with the [redacted] potential interim lenders, it requires cash to fund its on-going operations. [redacted]

7. On August 18, 2020, Peraso entered into a debtor-in-possession credit agreement (the "**Second DIP Agreement**") with Roadmap Capital General Partner Ltd. and Roadmap Peraso LP III (U.S. and Offshore) (collectively, the "**Second DIP Lenders**"). The Second DIP Agreement provides Peraso with a short-term financing so that it can continue discussions with the other [redacted] potential interim lenders.

8. A redacted copy of the Second DIP Agreement is attached hereto and marked as **Exhibit "B"**. In brief, the Second DIP Agreement is for an aggregate amount of [redacted] The Second DIP Lenders are prepared to advance that amount in full on August 20, 2020,

following court approval of the Second DIP Agreement. The interest rate pursuant to the Second DIP Agreement is equal to 14% *per annum*.

9. The terms of the Second DIP Agreement are substantially identical to the terms of the debtor-in-possession financing agreement that was previously approved by this Court on July 2, 2020 (the "**First DIP Agreement**"). A blackline comparing the Second DIP Agreement to the First DIP Agreement is attached hereto as **Exhibit "C"**.

10. The Second DIP Agreement provides that any funds advanced thereunder are to be secured by the Second DIP Lenders' Charge, and the Second DIP Lenders' Charge is to have priority over the DIP Lenders' Charge granted pursuant to the First DIP Agreement.

11. The Second DIP Lenders are two of the three lenders pursuant to the First DIP Agreement. The Second DIP Lenders and/or their affiliates own equity in Peraso and are Peraso's largest first-ranking secured creditor.

12. XCOM Labs, Inc., which was the third lender pursuant to the First DIP Agreement, is not a lender pursuant to the Second DIP Agreement. XCOM Labs, Inc. is no longer owed any funds under the First DIP Agreement.

13. Peraso's financial situation is such that, [redacted]

14. Given that the Second DIP Agreement is not intended to be a long-term solution to Peraso's liquidity problems, Peraso intends to return to this Court prior to the end of the Stay Period to seek approval of a longer-term solution.

B. SEALING

15. Peraso is seeking to seal the unredacted portions of this Affidavit, the unredacted Second DIP Agreement, and the unredacted Fourth Report for the same reasons that it sought to seal the First DIP Agreement and the affidavit and the Monitor's report related to the First DIP Agreement.

Deponent's Initials DS RG

16. The materials requested to be sealed contain commercially sensitive information. Peraso is concerned that Ubiquiti could use these unredacted materials to Peraso's detriment in the pending litigation scheduled for a hearing before this Court on September 1 and 2, 2020.

17. Further, Peraso is concerned that its discussions with the potential interim lenders could be negatively impacted if the terms of the Second DIP Agreement are publicly disclosed. Specifically, Peraso is concerned that public disclosure of the Second DIP Agreement could impact the competitiveness of the financing terms it receives from the potential interim lenders.

18. The information that Peraso is seeking to seal is similar in nature to the information that this Court sealed in connection with the First DIP Agreement, and Peraso's sealing request is animated by the same concerns that the Court previously found sufficient to justify sealing.

19. The Applicant does not believe that any stakeholder will be prejudiced if the information is sealed or redacted. Keeping this information sealed pending further order of the Court is beneficial to the search for an additional interim lender and the resolution of the Ubiquiti Litigation.

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 August 19, 2020.

DocuSigned by:
Nicholas Avis
2C12EFAB5242430...

Nicholas Avis
Commissioner for Taking Affidavits
in the Province of Ontario

DocuSigned by:
Ronald Glibbery
D41573EF6574469...

RONALD GLIBBERY

Deponent's Initials DS RG

This is
EXHIBIT "A"
referred to in the affidavit of
RONALD GLIBBERY
affirmed on August 19, 2020

DocuSigned by:
Nicholas Avis
2C12EFAB5242430...

Commissioner for taking affidavits

Court File No. CV-20-00642010-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PERASO TECHNOLOGIES INC.

Applicant

AFFIDAVIT OF RONALD GLIBBERY
(Affirmed August 10, 2020)

I, Ronald Glibbery, of the City of Toronto, Ontario **SOLEMNLY AFFIRM AND DECLARE**:

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 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. I affirm this affidavit in support of a motion by the Applicant pursuant to the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36, as amended (the "**CCAA**" and such proceedings, the "**CCAA Proceedings**") for an order, substantially in the form of the draft order attached as Tab 3 of the Motion Record, that:

(a) extends the Stay Period (as defined below) to and including August 28, 2020, or such further and other date as determined by the Court; and

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(b) seals certain portions of this Affidavit and the exhibits attached hereto and the unredacted Third Report of the Monitor (the "**Third Report**").

A. BACKGROUND

(i) Overview

4. Reference is made to my affidavits affirmed June 2, 2020 (the "**First Glibbery Affidavit**"), June 9, 2020 (the "**Second Glibbery Affidavit**"), and June 25, 2020 (the "**Third Glibbery Affidavit**").[1] A copy of the First Glibbery Affidavit, Second Glibbery Affidavit and Third Glibbery Affidavit (all without exhibits) are attached hereto and marked as **Exhibit "A"**, **Exhibit "B"**, and **Exhibit "C"**, respectively. All capitalized terms not otherwise defined herein are as defined in the First Glibbery Affidavit.

5. Peraso is in the business of the development, marketing and sale of the technologies that will power the next generation of wireless internet. Specifically, Peraso's software and chipsets are designed to operate on the 60 gigahertz band and, it is anticipated, the 5G wireless network.

6. As set out in greater detail in the First Glibbery Affidavit, Peraso sought creditor protection under the CCAA because it expected to run out of cash by early July 2020. Peraso's liquidity crisis was due to, *inter alia*, protracted disputes and multi-jurisdictional litigation commenced by Ubiquiti Inc. and its various affiliates (collectively, "**Ubiquiti**"), which stymied any and all of Peraso's efforts to raise additional funds, pursue a sales process or even market certain of its products.

7. On June 3, 2020, this Court issued the Initial Order that, among other things:

(c) granted an initial stay period in favour of the Applicant and its current and former directors to and including June 13, 2020 (the "**Stay Period**");

(d) appointed Ernst & Young Inc. as the Monitor of the Applicant (the "**Monitor**");

---

[1] I also affirmed a supplementary affidavit on July 2, 2020. This affidavit is not attached hereto as an exhibit.

Deponent's Initials RG

(e) granted an Administration Charge up to the maximum amount of C$200,000; and

(f) granted a Directors' Charge up to the maximum amount of C$650,000.

8. Also on June 3, 2020, the Monitor, in its capacity as foreign representative, filed an official form petition (the "**Petition**") under chapter 15 of title 11 of the United States Code ("**Chapter 15**") in the United States Bankruptcy Court for the Southern District of New York (the "**US Court**"), along with an emergency motion requesting that the US Court enter an order giving effect to the Initial Order in the United States on a provisional basis pending final disposition of the Petition.

9. On June 8, 2020, the US Court granted provisional relief that gave the Initial Order full force and effect in the United States on an interim basis and until such time as the US Court could conduct a final hearing on, and enter a final order with respect to, the relief sought by the Monitor, in its capacity as foreign representative, in the Petition.

10. On June 12, 2020, this Court issued an order (the "**Amended and Restated Initial Order**") that, among other things:

(g) expanded the Applicant's restructuring authority and the Monitor's ability to assist with the Applicant's restructuring efforts;

(h) increased the Administration Charge from C$200,000 to C$725,000; and

(i) extended the Stay Period to and including July 3, 2020.

11. On July 2, 2020, this Court issued an order (the "**DIP Order**") that, among other things:

(j) approved a debtor-in-possession financing agreement (the "**DIP Agreement**") between the Applicant, as borrower, and Roadmap Capital General Partner Ltd., Roadmap Peraso LP III (U.S. and Offshore) and XCOM Labs, Inc. (collectively, the "**DIP Lenders**"), as lenders;

(k) granted a charge over the Applicant's property in favour of the DIP Lenders;

(l) sealed certain portions of the unredacted Third Affidavit and the cash flow forecast attached thereto, certain portions of the unredacted Fourth Affidavit, certain portions of the unredacted DIP Agreement, and certain portions of the unredacted Second Report of the Monitor; and

(m) extended the Stay Period to and including August 14, 2020.

12. Copies of the Initial Order, the Amended and Restated Initial Order, and the redacted DIP Agreement (along with all other filings in these CCAA Proceedings) can be found on the Monitor's website: www.ey.com/ca/peraso.

13. Throughout these CCAA Proceedings, the Applicant has continued to operate its business in the normal course. The Applicant has been using its best efforts to minimize the impact of these CCAA Proceedings on and to maintain its relationships with its customers, suppliers, and other stakeholders.

(ii) **Mediation with Ubiquiti**

14. Prior to the granting of the DIP Order, Peraso and Ubiquiti agreed to enter into mediation with a view to resolving the litigation commenced by Ubiquiti in Ontario and the Southern District of New York. Such litigation is described in greater detail in the First Glibbery Affidavit and is herein collectively referred to as the "**Ubiquiti Litigation**". In brief, the Ubiquiti Litigation consists of three lawsuits. The primary lawsuit is the Licence Litigation in the Southern District of New York. The Licence Litigation arises from the Licence Agreement pursuant to which Peraso agreed to develop certain chipsets for Ubiquiti, and Ubiquiti agreed to subscribe to equity in Peraso upon the achievement of certain milestones. When Ubiquiti failed to provide notice of either acceptance or rejection of the project milestones, Peraso terminated the Licence Agreement. Ubiquiti subsequently filed a complaint seeking, among other things, a declaratory judgment that the Licence Agreement remains in full force and effect. Shortly thereafter, Ubiquiti brought two lawsuits in Ontario. In the Oppression Litigation, Ubiquiti alleges that Peraso engaged in oppressive conduct when it secured additional financing in March 2020. In the Notice Litigation, Ubiquiti alleges that Peraso failed to provide Ubiquiti with certain notices related to Peraso's board meetings.

Deponent's Initials DS RG

15. The mediation was conducted on July 6 and 7, 2020. The mediator was the former Associate Chief Justice Dennis O'Connor. The Monitor was involved throughout the course of the mediation.

16. The mediation did not result in a settlement of the Ubiquiti Litigation. On July 13, 2020, the Applicant and Ubiquiti attended a case conference with Justice Hainey to discuss next steps and the determination of the Ubiquiti Litigation. At Peraso's request, Justice Hainey scheduled a hearing for September 1 and 2, 2020 to hear Peraso's motion for a determination of whether the Licence Agreement was validly terminated by Peraso. In addition, Justice Hainey scheduled a pre-hearing case conference for August 24, 2020.

17. On July 10, 2020 and again on July 13, 2020, senior personnel at Ubiquiti emailed representatives of Peraso to cancel all projects in development.

18. Late in the evening of Friday, August 7, 2020, Ubiquiti also sent a letter outlining certain concerns it had over alleged failures by Peraso to fulfill Ubiquiti's purchase orders. Peraso is working with Ubiquiti to address these concerns and alleged failures. In that same letter, Ubiquiti stated its intention to place a new large order for the same or similar products.

(iii) **The Chapter 15 Proceeding**

19. As noted above, the US Court provisionally recognized the Initial Order pursuant to Chapter 15. A hearing for the full recognition of these CCAA Proceedings and related relief was originally scheduled to be heard by the US Court on July 8, 2020; however, this hearing was adjourned to July 22, 2020 due to the above-mentioned mediation with Ubiquiti.

20. On July 15, 2020, Ubiquiti filed a limited objection and reservation of rights to the Petition filed with the US Court. The Monitor, in its capacity as foreign representative, replied to Ubiquiti's objection and reservation of rights on July 19, 2020.

21. On July 22, 2020, the US Court heard the Petition. A transcript of the hearing is attached hereto and marked as **Exhibit "D"**. As noted in the transcript, there was no dispute between the Monitor, in its capacity as foreign representative, and Ubiquiti that the CCAA proceeding is a foreign main proceeding and should be recognized by the US Court as such, nor was there a dispute that the Monitor is the duly-appointed foreign representative. There were, however, two disputes regarding whether (a) the stay of proceedings should apply to

Deponent's Initials DS RG

present and former officers and directors of Peraso; and (b) the recognition order should provide that the Initial Order would be enforced along with any amendments or extensions as may be granted by this Court.

22. After hearing submissions from the Monitor, in its capacity as foreign representative, and Ubiquiti, Judge Lane of the US Court recognized these CCAA Proceedings as a foreign main proceeding. The stay of proceedings was applied to present and former officers and directors of Peraso, and the Initial Order (together with any extensions or amendments) was recognized and given full force and effect in the United States. Judge Lane made the following remarks on the topic of recognition:

> […] I find that recognition is appropriate and that this proceeding satisfies all requirements under applicable law for recognition, namely that the Canadian proceeding here is a foreign main proceeding, that the foreign representative is a person as defined under the Bankruptcy Code, and that the petition meets the requirements of Section 1515.
>
> And, in fact, I note that the other party to today's proceeding, Ubiquiti, does not appear to oppose recognition and said explicitly that they understand the Canadian proceeding is a foreign main proceeding and that that's where the COMI, the center of main interest, lies.[2]

23. With respect to additional relief, namely the application of the stay of proceedings to the present and former officers and directors of Peraso and the recognition of the Initial Order together with any extensions or amendments, Judge Lane stated the following:

> […] the Court finds the additional relief of enforcing the stay provisions of the additional order and subsequent orders is warranted and the additional relief is consistent with comity and satisfies the applicable statutory requirements.
>
> The Ontario court has found the stay provisions of the initial order to be critical to a successive restructuring. The initial order is consistent with the principles of United States bankruptcy law as U.S. courts may afford non-debtor protections of the automatic stay where necessary and appropriate under applicable law to facilitate the purposes of reorganization.

[2] See the July 22, 2020 transcript attached hereto and marked as Exhibit "D", page 29 line 20 to page 30 line 6.

Deponent's Initials

This page was not initialed due to technical issues /s/ Nicholas Avis

> […] to the extent Ubiquiti or any other creditor wishes to contest or seek relief from, you know, contest any further request of this stay or even seek to have the Canadian court change its mind about the stay, they have a forum to do that in the Canadian proceedings.
>
> Ubiquiti, in fact, has appeared in the Canadian court and, in fact, as has been discussed, does not oppose the provisions of the initial order or amendments to it that are at issue here. […] And certainly if Ubiquiti is ultimately not satisfied with the Canadian court decision, they can appeal that decision. They can also, as discussed I think fairly extensively today, they can participate in the Canadian proceedings and be heard on anything that is going to come before the Court consistent with Canadian law.
>
> […] I find the interests of the creditor Ubiquiti here is appropriate protected, and I find that this is an appropriate exercise of comity to grant comity to the initial order, the extensions that have already been granted, as well as any extension that is on all fours and is simply a matter of extending temporally the exact same relief that's already been granted.
>
> Anything beyond that, you'll address in Canada. And if it comes up and needs to be addressed here, we'll address it here with all parties reserving their rights.[3]

24. The US Court entered its order in respect of the above on July 23, 2020. A copy of that order is attached hereto and marked as **Exhibit "E"**.

B. THE SEARCH FOR ADDITIONAL DIP FINANCING

(i) Background

25. As described in greater detail in the Third Glibbery Affidavit, the Applicant required interim financing to continue its business operations beyond July 2020. To this effect, the Applicant began its initial search for interim financing immediately after receiving the Initial Order on June 3, 2020. This search resulted in the DIP Agreement, which this Court approved on July 2, 2020.

---

[3] See the July 22, 2020 transcript at Exhibit "D", page 32 line 17 to page 33 line 3; page 34 lines 3 to 19; page 38 lines 4 to 13.

Deponent's Initials DS RG

26. During the Applicant's search for an interim lender, Ubiquiti provided the Monitor with a draft interim financing term sheet to indicate its willingness to be an interim lender. The Applicant did not, however, pursue an interim financing arrangement with Ubiquiti on account of, among other things, a concern that Ubiquiti could, if selected as the interim lender, use its position as interim lender to impede, obstruct, or otherwise exercise self-interested influence on these CCAA Proceedings, the mediation with Ubiquiti or the Ubiquiti Litigation.

27. While Ubiquiti was not considered a feasible or practical interim lender in June 2020, the Applicant recognized that, particularly in light of the upcoming mediation, circumstances could change such that Ubiquiti could, at a later date, potentially be an appropriate interim lender. With this in mind, the Applicant designed a two-phase interim financing process. The first phase covered a period of time that included the mediation and some weeks thereafter. During this first phase, the DIP Lenders would provide the Applicant with interim financing pursuant to the DIP Agreement. Ubiquiti was not viewed as an appropriate interim lender during the first phase. Following the conclusion of the first phase, if the Applicant required additional interim financing, then it could commence the second phase of the interim lending process and a new search for an interim lender.

(ii) **The Second Phase of the Interim Financing Process**

28. The Applicant has concluded that it requires additional funding to continue these CCAA Proceedings. Accordingly, the Applicant commenced the second phase of the interim financing process with the intention of entering into a second interim financing agreement. The process for accessing additional interim financing is currently underway and has not yet been concluded.

29. The search for additional interim financing is being led by the Applicant with the assistance of the Monitor. The search has been broad and extensive, resulting in over [redacted] potential lenders being contacted. Potential lenders were identified based on, among other things, recommendations generated internally by Ernst & Young Inc. and referrals from other potential lenders. Certain parties who independently reached out to either the Applicant or the Monitor prior to or during this process were also identified as potential lenders, as were certain of the Applicant's existing stakeholders. Most of the parties identified as potential lenders were traditional lenders, private capital funds, and litigation financiers.

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30. All parties contacted by the Applicant and/or Monitor and who expressed interest in the opportunity were provided with a teaser letter that described the interim financing opportunity. Of these parties [redacted] parties entered into non-disclosure agreements, which allowed them to begin a due diligence process.

31. In an effort to maximize its chances of obtaining interim financing on the best available terms and to ensure fairness to all of its stakeholders, the Applicant is also engaging with certain of its shareholders and existing stakeholders in an effort to secure financing. This includes the Applicant reaching out to Ubiquiti to determine whether it remains interested in providing the Applicant with interim financing.

32. [redacted]

33. Discussions with the Prospective Lenders remain on-going.

34. The Applicant has consulted with the Monitor throughout the entirety of its search for additional interim financing. At all material times, the Monitor has been aware of the steps being taken in the interim financing process.

(iii) **Next Steps**

35. [redacted]

36. The Applicant plans to return to this Court within two weeks of the August 13, 2020 hearing date [redacted]

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C. SEALING

37. The Applicant requests that the unredacted version of this Affidavit and the unredacted exhibits hereto and the unredacted Third Report be sealed pending further order of this Court.

38. The materials requested to be sealed contain commercially sensitive information. Among other things, this unredacted Affidavit and the Third Report contain details related to the Applicant's search for an interim lender that could, if publicly disclosed, be detrimental to the Applicant's efforts to obtain interim financing; negatively impact the Prospective Lenders' due diligence; and impact the competitiveness of any financing terms the Applicant receives.

39. This affidavit also includes the Applicant's cash flow forecast for the duration of the requested Stay Period. This cash flow forecast demonstrates, among other things, how much money the Applicant has budgeted for legal expenses (including how much has been budgeted for resolving the Ubiquiti Litigation), and the extent of the Applicant's cash reserves. The sealing of this information ensures that Ubiquiti cannot use the information contained in the Applicant's cash flow forecasts to the Applicant's detriment in the course of the Ubiquiti Litigation.

40. The information that the Applicant is seeking to seal is similar in nature to the information that this Court sealed in connection with the DIP Order. And the Applicant's request is animated by the same concerns that the Court previously found sufficient to justify sealing.

41. The Applicant does not believe that any stakeholder will be prejudiced if the information is sealed or redacted. Keeping this information sealed pending further order of the Court is beneficial to the search for an interim lender or purchaser and the resolution of the Ubiquiti Litigation.

D. EXTENSION OF THE STAY PERIOD

42. The Stay Period granted in the DIP Order had the effect of imposing a stay of proceedings until and including August 14, 2020. The Applicant is requesting an extension of the Stay Period until and including August 28, 2020.

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43. The proposed Stay Period is anticipated to provide the Applicant with enough time to finalize an interim financing agreement for the additional interim financing that is required [redacted] Once finalized, the Applicant intends to bring the interim financing agreement [redacted] to this Court for approval and a longer extension of the Stay Period, if applicable.

44. Based on the cash flows attached hereto and marked as **Exhibit "F"**, the Applicant will have sufficient funds to continue operating through the proposed Stay Period.

45. The Applicant has acted and continues to act diligently and in good faith in respect of all matters relating to these CCAA Proceedings.

46. In the circumstances, I do not believe that any creditor will suffer material prejudice as a result of the extension of the Stay Period.

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 August 10, 2020.

DocuSigned by:
Nicholas Avis
2C12EFAB5242430...

Nicholas Avis
Commissioner for Taking Affidavits
in the Province of Ontario

DocuSigned by:
Ronald Glibbery
D41573EF6574469...

RONALD GLIBBERY

Deponent's Initials DS RG

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.: CV-20-00642010-00CL

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

AFFIDAVIT OF RONALD GLIBBERY
AFFIRMED AUGUST 10, 2020

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Lawyers for the Applicant, Peraso Technologies Inc.

This is
EXHIBIT "B"
referred to in the affidavit of
RONALD GLIBBERY
affirmed on August 19, 2020

DocuSigned by:
Nicholas Avis
2C12EFAB5242430...

Commissioner for taking affidavits

DEBTOR-IN-POSSESSION CREDIT AGREEMENT

August 18, 2020

WHEREAS:

A. Peraso Technologies Inc. (the "**Borrower**") has requested that Roadmap Capital General Partner Ltd. and Roadmap Peraso LP III (U.S. and Offshore) (collectively, the "**Lenders**") provide it with financing to fund certain of the Borrower's cash requirements during the pendency of its proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") commenced before the Court in accordance with the terms and conditions set out herein.

B. The Lenders have agreed to provide interim financing in order to fund certain obligations of the Borrower in accordance with the terms and conditions set out herein.

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

1. DEFINED TERMS Unless otherwise defined herein, capitalized words and phrases used in this Debtor-In-Possession Credit Agreement (the "**Agreement**") have the meanings given thereto in Schedule "A".

2. BORROWER: Peraso Technologies Inc., a corporation incorporated under the laws of the Province of Ontario.

3. LENDERS: Roadmap Capital General Partner Ltd. and Roadmap Peraso LP III (U.S. and Offshore), as allocated in the proportions set out in Schedule "C".

4. CREDIT FACILITY: A secured non-revolving credit facility (the "**DIP Facility**") in an aggregate amount of [redacted] (as such amount may be reduced from time to time pursuant to Sections 9 or 10 hereof, the "**Facility Amount**"), subject to the terms and conditions contained herein.

5. ADVANCE: The Facility Amount shall be advanced in full on August 20, 2020 by the Lenders to the Borrower pursuant to the wire instructions appended hereto at Schedule "B".

6. INTEREST RATE: Interest shall be payable in cash on the aggregate outstanding Facility Amount under the DIP Facility from the date of advance at a rate equal to 14% *per annum*, compounded monthly and payable monthly in arrears in cash on the last Business Day of each month. Upon the occurrence and during the continuation of an Event of Default, all overdue amounts shall bear interest at the applicable interest rate plus 2% *per annum* payable on demand in arrears in cash.

Interest on the aggregate outstanding Facility Amount will accrue on the basis of a year of three hundred and sixty-five (365) or three hundred and sixty-six (366) days. For the purposes of the *Interest Act* (Canada), the annual rates of interest or fees to which the rates calculated in accordance with this DIP Facility are equivalent to the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by three hundred and sixty-five (365).

If any provision of this Agreement or any ancillary document in connection with this Agreement would obligate the Borrower to make any payment of interest or other amount payable to the Lenders in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Lenders of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)) then, notwithstanding such provision, such amount or rate will be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the Lenders of interest at a criminal rate and any such amounts actually paid by the Borrower in excess of the adjusted amount will be forthwith refunded to the Borrower.

7. MATURITY DATE: The DIP Facility shall be repayable in full on the earlier of:

(a) a demand for repayment in writing having been made by the Lenders upon the occurrence of any Event of Default which is continuing and has not been cured in accordance with the terms of this Agreement;

(b) the date on which the Initial Order expires without being extended or on which the CCAA Proceedings are dismissed or converted into a proceeding under the *Bankruptcy and Insolvency Act* (Canada);

(c) the effective date of any confirmed plan of reorganization or arrangement by the CCAA Court;

(d) the sale of all or substantially all of the Collateral; and

(e) [redacted] or such other date as mutually agreed to by the parties to this agreement in writing,

(the earliest of such dates being the "**Maturity Date**"). The Maturity Date may be extended from time to time at the request of the Borrower and with the prior written consent of the Lenders for such period and on such terms and conditions as the Lenders may agree in their sole discretion.

All amounts outstanding or payable under the Agreement, including the principal amount outstanding hereunder, all unpaid accrued interest and all fees and other amounts required to be paid by the Borrower, shall be due and payable in full on the Maturity Date.

8. PERMITTED USE OF The Borrower shall use proceeds of the DIP Facility solely for the

PROCEEDS: following purposes and in the following order:

(a) to pay the reasonable and documented financial advisory fees and expenses and the reasonable and documented legal fees and expenses of (i) the Borrower and (ii) the Monitor (as defined below) (it being acknowledged by the Borrower and the Lenders that those fees and expenses incurred to the date hereof are reasonable);

(b) to pay all of the reasonable and documented fees and expenses (including the fees and expenses of their counsel and advisors) incurred by the Lenders in connection with, relating to or arising from the CCAA Proceeding (including preparation for, and attendance at, the Court from time to time), due diligence, negotiation and documentation of this Agreement, whether incurred prior to or after the date of the Initial Order, as well as all expenses of the Lenders in connection with the ongoing monitoring, maintenance, interpretation and administration of the DIP Facility and the enforcement of any of rights of the Lenders including pursuant to this Agreement; to pay the interest owing to the Lenders under this Agreement; and

(c) to fund the Borrower's (i) working capital and (ii) other general corporate purposes.

For greater certainty, the Borrower may not use the proceeds of the DIP Facility to pay any of its pre-filing obligations without the prior written consent of the Lenders; it being agreed by the Lenders that the Lenders' consent is not required for the Borrower to pay, (i) pre-filing amounts permitted pursuant to the Initial Order, (ii) amounts due to trade creditors in the ordinary course of business, and (iii) Taxes (as defined below), accrued payroll and other ordinary course liabilities.

9. VOLUNTARY PREPAYMENTS: Subject to the Lenders' Financing Option in Section 11 below, provided the Monitor is satisfied that the Borrower has sufficient cash reserves to satisfy amounts secured by the Permitted Priority Liens, the Borrower may prepay any amounts outstanding under the DIP Facility at any time prior to the Maturity Date. Any amount repaid may not be reborrowed.

10. MANDATORY REPAYMENTS: Subject to the Lenders' Financing Option in Section 11 below, unless otherwise consented to in writing by the Lenders, and provided the Monitor is satisfied that the Borrower has sufficient cash reserves to satisfy amounts secured by the Permitted Priority Liens, the DIP Facility shall be promptly repaid and the Facility Amount shall be permanently reduced upon (i) the sale of any of the Collateral out of the ordinary course of business (other than any sale of obsolete or worn out equipment or other assets) and consented to in writing by the Lenders, in an amount equal to the net cash proceeds of such sale (for greater certainty, net of transaction fees and applicable Taxes in respect thereof); and (ii) receipt of any insurance proceeds, in an amount equal to such insurance proceeds received. Any amount repaid may not be reborrowed.

11. FINANCING OPTION

The Borrower hereby (i) grants to the Lenders an irrevocable option to participate on the same terms in any financing or refinancing of the Borrower that is completed following the date of this Agreement, and (ii) agrees to promptly provide the Lenders with all information and terms pertaining to any financing or refinancing plans that may arise following the date hereof.

12. CONDITIONS TO ADVANCE

The Lenders' agreement to make the advances available to the Borrower under this Agreement shall be subject to satisfaction of the following conditions precedent (the "**Funding Conditions**"):

(a) The Court shall have issued the DIP Order approving this Agreement and granting the Lenders a charge (the "**Lenders Charge**") on the Collateral of the Borrower, securing all obligations owing by the Borrower to the Lenders under this Agreement including, without limitation, all principal, interest and costs and expenses of the Lenders as set out in this Agreement (collectively, the "**Financing Obligations**") and providing, among other things, that the Lenders Charge shall have priority on the Collateral over all Liens and security interests of every kind and nature whatsoever (including, for greater certainty, the Existing DIP Lenders' Charge), other than the Permitted Liens, and such DIP Order shall not have been stayed, vacated or otherwise caused to be ineffective or amended, restated or modified in any manner that adversely affects the Lenders, without the written consent of the Lenders in their sole discretion;

(b) The Lenders shall be satisfied that (i) the Borrower is in compliance with all Applicable Law, in relation to their businesses other than as may be permitted under a Court Order or as to which any enforcement in respect of non-compliance is stayed by a Court Order, (ii) the entering into of this Agreement, the granting of the Lenders Charge, the consummation of the transactions contemplated hereby and the performance hereof shall not violate any Applicable Law, (iii) the Borrower has obtained all corporate, governmental, regulatory and third party approvals as may be required in any relevant jurisdiction to enable and permit the entering into of this Agreement, the granting of the Lenders Charge, the consummation of the transactions contemplated hereby and thereby and the performance thereof, and (iv) service has been effected on each holder of a Lien listed on the service list agreed between the Borrower and the Lenders (or their counsel);

(c) No Default or Event of Default shall have occurred and be continuing;

(d) The Lenders shall be satisfied that no Material Adverse Change shall have occurred since the Filing Date;

(e) Since the Filing Date there shall not have occurred any payment, prepayment, redemption, purchase or exchange of any prepetition indebtedness or equity, or amendment or modification of any of the terms thereof, except as expressly permitted by the terms of the Initial Order;

(f) No appeal, notice of appeal or application for leave to appeal in respect of the Initial Order has been made or threatened;

(g) The Borrower shall have executed and delivered this Agreement; and

(h) All documented expenses (including all documented legal and professional fees and expenses on a full indemnity basis) of the Lenders incurred in connection with their pre-filing claims and/or the DIP Facility shall have been paid in full (which documented expenses shall be deducted from the advance of the Facility Amount).

For greater certainty, the Lenders shall not be obligated to advance or otherwise make available any funds pursuant to this Agreement until all of the foregoing conditions have been satisfied and all of the foregoing documentation and confirmations have been obtained, each in form and substance satisfactory to the Lenders, provided further that the Lenders may, in their sole discretion, waive satisfaction of any one or more of such conditions precedent.

13. COSTS AND EXPENSES

The Borrower will reimburse the Lenders, without duplication: (i) up to and including the Filing Date for all reasonable and documented out-of-pocket expenses (including reasonable and documented legal and professional fees and expenses on a full indemnity basis) in connection with the negotiation and development of this Agreement and (ii) for all reasonable and documented out-of-pocket expenses (including reasonable and documented legal and professional fees and expenses on a full indemnity basis) in connection with the CCAA Proceedings, including due diligence, review and negotiation of filing materials, negotiation and documentation of this Agreement and related documentation and the on-going monitoring and administration of each and the enforcement of the Lenders Charge and any other security for the Financing Obligations.

All such reasonable and documented out-of-pocket expenses (including reasonable and documented legal and professional fees and expenses on a full indemnity basis) of the Lenders under paragraph (ii) above shall be included in the Financing Obligations and secured by the Lenders Charge.

14. SECURITY: All present and future liabilities and obligations of the Borrower to the Lenders shall be secured and evidenced by the following documents completed in form and substance satisfactory to the Lenders and their counsel (collectively, the "**Lender's Security**"):

(a) the DIP Order (including the DIP Charge provided for therein);

(b) all supporting authorizations, certificates, acknowledgements and legal opinions as the Lenders may reasonably require; and

(c) such further documentation that the Lenders and their counsel may reasonably require.

15. PERMITTED LIENS AND PRIORITY: All Collateral will be free and clear of all other Liens, except for the Permitted Liens. The Lenders Charge shall be subordinate only to the Permitted Liens.

16. MONITOR: Pursuant to the Initial Order issued by the Ontario Superior Court of Justice (Commercial List) on June 3, 2020, Ernst & Young Inc. was appointed as the monitor (the "**Monitor**") in the CCAA Proceedings. Ernst & Young Inc. was appointed solely in its capacity as Monitor and not in its personal or corporate capacity.

17. REPORTING: The Borrower covenants with the Lenders as follows:

(a) it shall deliver to the Lenders no later than 5 days from each calendar month end, a four week cash flow forecast and such other information as the Lenders may require including discussion of differences between actual and forecast results and any changes expected to costs going forward, all in form and substance satisfactory to the Lenders, and

(b) it will forthwith provide the Lenders with such other information, in electronic format whenever and wherever possible, as the Lenders may reasonably request.

18. REPRESENTATIONS AND WARRANTIES: The Borrower represents and warrants to the Lenders, upon which the Lenders are relying in entering in this Agreement, that:

(a) it is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and is duly qualified, licensed or registered to carry on business under the laws applicable to it in all jurisdictions in which the nature of its assets or business makes such qualification necessary;

(b) it has all requisite corporate power and authority to (i) own and operate its properties and assets and to develop, own and operate its business and (ii) to enter into and perform its obligations under this Agreement;

(c) the execution and delivery by it of this Agreement and the performance by it of its respective obligations hereunder have been duly authorized by all necessary corporate action and no authorization under any Applicable Law, and no registration, qualification, designation, declaration or filing with any Governmental Authority, is or was necessary therefor;

(d) this Agreement has been duly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, subject only to any limitation under Applicable Laws relating to (i) bankruptcy, insolvency, reorganization, moratorium or creditors' rights generally and (ii) the discretion that a court may exercise in the granting of equitable remedies;

(e) its assets (i) are legally and beneficially owned by or leased or licensed to it and are only located at the locations disclosed in writing to the Lenders, (ii) have not been sold, leased or otherwise disposed of, and (iii) are not subject to any rights of any Person other than Permitted Liens;

(f) the execution and delivery by it of this Agreement and the performance by it of its obligations hereunder and compliance with the terms, conditions and provisions hereof, will not conflict with or result in a breach of (i) its constating documents or by-laws; (ii) the Material Contracts to which it is party or (iii) any Applicable Law;

(g) its business operations have been and will continue to be conducted in compliance with all laws of each jurisdiction in which business has been or is being carried on;

(h) it has filed or caused to be filed all Tax returns and reports which are required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except Taxes that are being contested in good faith by appropriate proceedings and for which adequate cash reserves are being maintained;

(i) other than the CCAA Proceedings, the Chapter 15 Proceeding, and three litigation matters (one in New York and two in Ontario) involving Ubiquiti Inc. or its affiliates, there are no material actions, suits or proceedings (including any Tax-related matter and excluding any environmental-related matters which are dealt with in paragraph (o) below) by or before any arbitrator or Governmental Authority or by any other Person pending against or, to its knowledge, threatened against or affecting it;

(j) it maintains insurance policies and coverage which (i) are sufficient for compliance with law and all material agreements to which it is a party and (ii) provide adequate insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by Persons engaged in the same or similar business to its assets and operations; and

(k) all factual information provided by or on its behalf to the Lenders for the purposes of or in connection with this Agreement or any transaction contemplated herein is true and accurate in all material respects on the date as of which such information is dated or certified and remains true as of the date provided and is not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not materially misleading at such time in light of the circumstances under which such information was provided.

19. AFFIRMATIVE COVENANTS:

The Borrower covenants and agrees from the date of execution of this Agreement and while the DIP Facility remains outstanding, that it will:

(a) make due and punctual payment to the Lenders of all amounts payable under this Agreement when due;

(b) comply with the provisions of all Court Orders and take all actions necessary or available to defend the Court Orders from any appeal, reversal, modifications, amendment, stay or vacating not expressly consented to in writing in advance by the Lenders;

(c) subject to the terms of the Initial Order, comply with all laws, rules, regulations and orders applicable to it or its property, including, without limitation, environmental laws and regulations and including payment on a timely basis of all municipal Taxes, utility charges or other amounts in relation to the Collateral charged by the Lenders Charge where the non-payment of same could give rise to a Lien and immediately notify the Lenders of any action, claim, lawsuit, demand, investigation or proceeding pending, or to the knowledge of the Borrower, threatened, against the Borrower, before any court, Governmental Authority, regulatory authority, arbitrator or tribunal;

(d) except where a stay of proceedings applies and subject to the terms of the Initial Order, pay when due all statutory liens, trust and other Crown claims including employee source deductions, HST and workplace safety and insurance premiums;

(e) comply with any Court Order made in connection with the CCAA Proceedings;

(f) deliver to the Lenders the reporting and other information from time to time reasonably requested by the Lenders and as set out in this Agreement including, without limitation, usual and customary financial reporting requirements;

(g) notify the Lenders of any material events, including without limitation any Default or Event of Default, Material Adverse Change, pending or threatened claims, proceeding, litigation or actions, any material developments in any Material Contract;

(h) notify the Lenders promptly of all material developments with respect to the business affairs of the Borrower, the litigation matters involving the Borrower and Ubiquiti Inc. or its affiliates and the CCAA Proceedings, including providing draft copies of all motions, applications, proposed orders or other materials or documents that the Borrower intends to file in the CCAA Proceedings;

(i) maintain sufficient insurance coverage in such amounts and against such risks as is customary and as a prudent Person in the same or similar business as the Borrower would maintain for its business;

(j) preserve, maintain, and renew all Material Contracts, licenses and permits;

(k) preserve, renew and keep in full force its corporate existence; and

(l) comply with the reporting requirements pursuant to Section 17.

20. NEGATIVE COVENANTS: The Borrower covenants and agrees not to do the following, from the date of execution of this Agreement and while the DIP Facility remains outstanding without the Lenders' written consent:

(a) create or permit to exist any indebtedness other than: (A) the indebtedness existing as of the date of this Agreement and disclosed to the Lenders in writing, (B) post-filing trade payables, and (C) any indebtedness secured by the Permitted Priority Liens;

(b) create or permit to exist any Lien on any of its properties or assets other than Permitted Liens;

(c) make any investments or acquisitions of any kind, direct or indirect;

(d) make any payment, including, without limitation, any payment of principal, interest or fees, in respect of pre-filing indebtedness, or in respect of any other pre-filing liabilities, including payments with respect to pre-filing trade or unsecured liabilities of the Borrower, other than as required or permitted pursuant to the Initial Order or as otherwise expressly permitted under this Agreement;

(e) amalgamate or consolidate with or sell all or substantially all of its assets to any other Person, change its jurisdiction of organization, change its name, or amend its constating documents or enter into any agreement committing to such actions;

(f) make: (i) any distribution, dividend, return of capital or other distribution in respect of equity securities (in cash, securities or other property or otherwise), or (ii) a retirement, redemption, purchase or repayment or other acquisition of equity securities or indebtedness (including any payment of principal, interest, fees or any other payments thereon);

(g) (i) enter into, renew, amend or modify any transaction or contractual relationship with any Related Party, or (ii) make any payment with respect to, or perform any obligation under, an agreement with a Related Party;

(h) enter into, renew, amend, modify or assume any employment, consulting or analogous agreement or arrangement with any director, senior or executive officer or senior management of the Borrower or any Related Party, or make any payment to any such Person in respect of any bonus, change of control payment or severance package of any kind whatsoever other than (i) as consented to by the Monitor and approved by the Court on prior notice to the Lenders or (ii) as consented to by the Lenders, acting reasonably;

(i) transfer, lease or otherwise dispose of all or any part of its property, assets or undertaking outside of the ordinary course of business, except for the disposition of obsolete or worn out equipment or assets consistent with past practice;

(j) make any material changes in accounting practices other than those required by any governing regulator;

(k) amend its name or jurisdiction of incorporation;

(l) amend or terminate any Material Contract;

(m) seek, obtain or support any Court Order or any amendment or modification to a Court Order except with the prior written consent of the Lenders, (i) in their sole discretion in respect of any Court Order or amendment thereto relating to the DIP Facility or any other matter that could adversely affect the Lenders, and (ii) acting reasonably in respect of any other Court Order or amendment thereto that may result in a Material Adverse Change vis-à-vis the Lenders;

(n) enter into any new agreements, transactions or arrangements with other parties outside of the ordinary course of business that may result in a Material Adverse Change vis-à-vis the Lenders; and

(o) seek, obtain or support any other restructuring transaction without the prior written consent of the Lenders that may result in a Material Adverse Change vis-à-vis the Lenders.

The Borrower covenants and agrees not to settle any material litigation including those involving the Borrower and Ubiquiti Inc. or its affiliates without prior consultation with the Lenders regarding the proposed settlement. For the avoidance of doubt, the required consultation with the Lenders does not require the Lenders' consent or agreement to any proposed settlement.

21. EVENTS OF DEFAULT:

The occurrence of any one or more of the following events shall constitute an event of default (each, an "**Event of Default**") under this Agreement:

(a) failure of the Borrower to pay: (i) principal, interest or other amounts within two (2) Business Days of such amounts becoming due under this Agreement; or (ii) legal and other advisory fees and expenses of the Lenders, within five (5) Business Days of being invoiced therefor;

(b) failure by the Borrower to perform or comply with any of the affirmative covenants contained in Section 19, which such failure to perform or comply remains unremedied after two (2) Business Days (other than in respect of the affirmative covenant contained in Section 19(a) which is subject to the cure period specified in Section 21(a) herein);

(c) failure by the Borrower to perform or comply with any of the negative covenants contained in Section 20;

(d) any representation or warranty by the Borrower made or deemed to be made in this Agreement is or proves to be incorrect or misleading in any material respect as of the date made or deemed to be made;

(e) issuance of an order without the consent of the Lenders (i) dismissing the CCAA Proceeding or lifting the stay in the

CCAA Proceeding to permit the enforcement of any security against the Borrower or the Collateral, the appointment of a receiver, interim receiver or similar official, an assignment in bankruptcy, or the making of a bankruptcy order or receiving order against or in respect of the Borrower, in each case which order is not stayed pending appeal thereof, and other than in respect of a non-material asset not required for the operations of the Borrower's business; (ii) granting any other Lien in respect of the Collateral that is in priority to or *pari passu* with the Lenders Charge other than as permitted pursuant to this Agreement, (iii) staying, reversing, vacating or otherwise modifying this Agreement, or (vi) staying, reversing, vacating or otherwise modifying any Court Order that may result in a Material Adverse Change vis-à-vis the Lenders;

(f) unless consented to in writing by the Lenders, the expiry without further extension of the stay of proceedings provided for in the Initial Order;

(g) the Borrower ceases (or threatens to cease) to carry on business in the ordinary course;

(h) unless the Lenders have consented thereto in writing, the filing by the Borrower of any motion or proceeding which (i) is not consistent with any provision of this Agreement or, as applicable, (ii) seeks to obtain a charge that shall rank ahead of the DIP Charge, other than the Permitted Liens, (iii) could otherwise reasonably be expected to materially adversely affect the interests of the Lenders, (iv) seeks an order in the CCAA Proceedings or the Chapter 15 Proceeding which, if granted, could reasonably be expected to result in a Material Adverse Change, (v) seeks to continue the CCAA Proceedings under the jurisdiction of a court other than the Court (for clarity, this Event of Default shall not include the commencement of the Chapter 15 Proceeding) or (vi) seeks to initiate any restructuring proceedings other than the CCAA Proceeding in any court or jurisdiction (for clarity, this Event of Default shall not include the commencement of the Chapter 15 Proceeding);

(i) any proceeding, motion or application is commenced or filed by the Borrower, or if commenced by another party, is supported, remains unopposed or otherwise consented to by the Borrower, seeking the approval of any Alternative Transaction that is not otherwise approved in writing by the Lenders;

(j) the making by the Borrower of a payment of any kind that is not permitted by this Agreement;

(k) except as stayed by order of the Court, revocation or cancellation of, any Material Contract, or other material licence or permit;

(l) the denial or repudiation by the Borrower of the legality, validity, binding nature or enforceability of (i) this Agreement; or (ii) the pre-filing obligations of the Borrower to the Lenders in their capacity as significant pre-filing creditors of the Borrower under any document governing such obligations;

(m) except as stayed by order of the Court, the entry of one or more final judgments, writs of execution, garnishment or attachment representing a claim in excess of US$250,000, against the Borrower or the Collateral that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after their entry, commencement or levy;

(n) any addition, removal or replacement of directors from the board of directors (other than any resignation) of the Borrower unless acceptable to the Lenders; or

(o) the occurrence of a Material Adverse Change.

22. REMEDIES:

Upon the occurrence and during the continuance of an Event of Default, without any further notice or demand, the Lenders may, in their sole discretion, terminate its commitment under the DIP Facility and declare the obligations owing to them under this Agreement to be immediately due and payable.

Without limiting the foregoing remedies, upon the occurrence and during the continuance of an Event of Default, the Lenders may, in their sole discretion:

(a) on no less than two business days' notice to the Borrower and the Monitor, apply to a court for the appointment of a receiver, an interim receiver or a receiver and manager over the Collateral, or for the appointment of a trustee in bankruptcy of the Borrower;

(b) set-off or combine any amounts then owing by the Lenders to the Borrower against the obligations of the Borrower to the Lenders hereunder;

(c) subject to obtaining an order from the Court granting leave to exercise such remedies on at least two business days' notice to the Borrower and the Monitor, exercise all such other rights and remedies under this Agreement, the Court Orders, the Existing Security and Applicable Law; and

(d) subject to obtaining prior approval from the Court, exercise the powers and rights of a secured party under the

Personal Property Security Act (Ontario), or any legislation of similar effect.

23. INDEMNIFICATION: The Borrower agrees to indemnify and hold harmless the Lenders, their affiliates and their officers, directors, shareholders, employees, agents and advisors (each, an "**Indemnified Person**") from and against any and all suits, actions, proceedings, orders, claims, damages, losses, liabilities and expenses (including reasonable legal fees and disbursements and other costs of investigation or defence, including those incurred upon any appeal) that may be instituted or asserted against or incurred by any such Indemnified Person as a result of or in connection with credit having been extended, suspended or terminated under or in relation to the DIP Facility or the use of the proceeds thereof and the administration of such credit, and in connection with or arising out of the transactions contemplated hereunder and any actions or failure to act in connection therewith including the taking of any enforcement actions by the Lenders and including any and all environmental liabilities and reasonable legal costs and expenses arising out of or incurred in connection with disputes between or among the Borrower and Lenders; provided that such indemnity will not, as to any Indemnified Person, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross or intentional fault of such Indemnified Person. All such indemnified amounts, if not immediately paid by the Borrower upon demand, will be secured by the Lenders Charge.

24. TAXES: All loan repayments and prepayments will be made free and clear of any taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively "**Taxes**"). If any Taxes are required by Applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the Lenders under this Agreement, the amount so payable to the Lenders shall be increased to the extent necessary to yield to the Lenders on a net basis after payment of all Withholding Taxes, the amount payable under this Agreement at the rate or in the amount specified herein and the Borrower shall provide evidence satisfactory to the Lenders that the Taxes have been so withheld and remitted.

If the Borrower pays an additional amount to the Lenders to account for any deduction or withholding, the Lenders shall reasonably cooperate with the Borrower to obtain a refund of the amounts so withheld, including filing income Tax returns in applicable jurisdictions, claiming a refund of such Tax and providing evidence of entitlement to the benefits of any applicable

Tax treaty. The amount of any refund so received, and interest paid by the Tax authority with respect to any refund, shall be paid over by the Lenders to the Borrower. If reasonably requested by the Borrower, the Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the Lenders shall cooperate with the Borrower to minimize the amount of deductions or withholdings required.

The Borrower will reimburse the Lenders for any costs incurred by the Lenders in performing their obligations under this Agreement resulting from any change in law, including, without limitation, any reserve or special deposit requirements or any Tax or capital requirements or any change in the compliance of the Lenders therewith that has the effect of increasing the cost of funding to the Lenders or reducing their effective rate of return on capital.

25. FURTHER ASSURANCES: The Borrower shall, at its own expense, from time to time, do execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the Lenders may reasonably request for the purpose of giving effect to this Agreement.

26. CURRENCY: Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States and all funds and payments contemplated under this Agreement shall be in United States dollars.

27. JUDGMENT CURRENCY: If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due to a Lender in any currency (the "**Original Currency**") into another currency (the "**Other Currency**"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, such Lender could purchase the Original Currency with the Other Currency on the Business Day preceding the day on which final judgment is given or, if permitted by Applicable Law, on the day on which the judgment is paid or satisfied.

The obligations of the Borrower in respect of any sum due in the Original Currency from it to the Lenders under this Agreement shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Lenders of any sum adjudged to be so due in the Other Currency, the Lenders may, in accordance with normal banking procedures, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lenders in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding the judgment, to indemnify the Lenders, against any loss, and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Lenders in the

Original Currency, the Lenders shall remit such excess to the Borrower.

28. GOVERNING LAW: This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

29. AMENDMENTS: No amendment of this Agreement shall be effective unless signed by all parties hereto.

30. ENTIRE AGREEMENT: This Agreement and the schedules hereto constitute the entire agreement between the Borrower and Lenders relating to the subject matter hereof.

31. NOTICES: Any notice, request or other communication hereunder to any of the parties shall be in writing and be sufficiently given if delivered personally or sent by electronic mail to such party at its address set out on its signature page hereof. Any such notice, request or other communication hereunder shall be concurrently sent to the Monitor and its counsel.

Any such notice shall be deemed to be given and received when received, unless received after 5:00 p.m. Eastern Time or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.

32. ASSIGNMENT: The Lenders may assign this Agreement and their rights and obligations hereunder, in whole or in part, or grant a participation in their respective rights and obligations hereunder to any party acceptable to the Lenders in their sole and absolute discretion without notice to or consent from the Borrower. Neither this Agreement nor any right or obligation hereunder may be assigned by the Borrower.

33. SEVERABILITY: Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

34. COUNTERPART SIGNATURES: This Agreement may be executed in any number of counterparts and by facsimile or other electronic transmission, each of which when executed and delivered will be deemed to be an original, and all of which when taken together will constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date first above written.

PERASO TECHNOLOGIES INC.

By: ______________________

Name: Ron Glibbery
Title: CEO

ROADMAP CAPITAL GENERAL PARTNER LTD., on its own behalf

By: ______________________

Name: IMED ZINE
Title: PRINCIPAL

ROADMAP CAPITAL GENERAL PARTNER LTD., as general partner of ROADMAP PERASO LP III (U.S. AND OFFSHORE)

By: ______________________

Name: IMED ZINE
Title: PRINCIPAL

SCHEDULE "A"

DEFINED TERMS

"**Administration Charge**" means an administration charge in an aggregate amount not to exceed C$725,000.

"**Alternative Transaction**" means any offer, restructuring, refinancing, recapitalization, sale, liquidation, workout or plan of compromise or arrangement or reorganization of, or in respect of, all or any of the Borrower's assets and liabilities.

"**Applicable Law**" means, in respect of any Person, property, transaction or event, all applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any Governmental Authority having the force of law.

"**Borrower**" has the meaning given thereto in Section 2.

"**Business Day**" means any day other than a Saturday, Sunday or any other day in which banks in Toronto, Ontario are not open for business.

"**CCAA**" means the *Companies' Creditors Arrangement Act* (Canada).

"**CCAA Proceeding**" means the Borrower's proceeding under the CCAA.

"**Chapter 15**" means Chapter 15 of Title 11 of the United States Code.

"**Chapter 15 Proceeding**" means the Borrower's proceeding, filed in the United States Bankruptcy Court for the Southern District of New York, by the Monitor as foreign representative of the Borrower, under Chapter 15.

"**Closing Date**" means the date on which all Funding Conditions have been satisfied.

"**Collateral**" means all now owned or hereafter acquired assets and property of the Borrower, real and personal, tangible or intangible.

"**Court**" means the Ontario Superior Court of Justice (Commercial List).

"**Court Order**" means any of the Initial Order, and any other orders of the Court entered in connection with the CCAA Proceedings.

"**Default**" means an event or circumstance which, after the giving of notice or the passage of time, or both, will result in an Event of Default.

"**DIP Facility**" has the meaning given thereto in Section 4.

"**Directors' Charge**" means a directors and officers liability charge in an amount not to exceed C$650,000.

"**Existing DIP Lenders' Charge**" means the charge in favour of the Lenders securing all obligations owing by the Borrower to the Lenders under the debtor-in-possession credit agreement dated June 25, 2020 among the Borrower, the Lenders and XCOM Labs, Inc., of which, as of the date hereof, an aggregate principal amount of [redacted] is owing thereunder by the Borrower to the Lenders.

“**Event of Default**” has the meaning given thereto in Section 21.

“**Facility Amount**” has the meaning given thereto in Section 4.

“**Filing Date**” means the date of commencement of the CCAA Proceedings.

“**Financing Obligations**” has the meaning given thereto in Section 12(a).

“**First Advance**” has the meaning given thereto in Section 5.

“**Funding Conditions**” has the meaning given thereto in Section 12.

“**Governmental Authority**” means any federal, provincial, state, municipal, local or other government, governmental or public department, commission, board, bureau, agency or instrumentality, domestic or foreign and any subdivision, agent, commission, board or authority of any of the foregoing.

“**Initial Order**” means an initial order of the Court pursuant to which the Borrower shall commence the CCAA Proceedings.

“**DIP Order”** means the order of the Court approving this Agreement and the Lenders Charge;

“**Lenders**” has the meaning given thereto in Section 3.

“**Lenders’ Charge**” has the meaning given thereto in Section 12(a).

“**Liens**” means all liens, hypothecs, charges, mortgages, trusts, deemed trusts (statutory or otherwise), encumbrances and security interests of every kind and nature whatsoever.

“**Material Adverse Change**”: means any change, condition, event or occurrence, which, when considered individually or together with all other changes, conditions, events or occurrences, could reasonably be expected to have a material adverse effect on: (i) the financial condition, business, performance, operation, assets or property of the Borrower as a whole; (ii) the ability of the Borrower to timely and fully perform any of its material obligations under this Agreement, or any Court Order; or (iii) the validity or enforceability of this Agreement, or the rights and remedies of the Lenders under this Agreement;

“**Material Contract**” means any contract, licence or agreement: (i) to which the Borrower is a party or is bound; (ii) which is material to, or necessary in, the operation of the business of the Borrower; and (iii) which the Borrower cannot promptly replace by an alternative and comparable contract with comparable commercial terms.

“**Maturity Date**” has the meaning given thereto in Section 7

“**Monitor**” has the meaning given thereto in Section 16.

“**Permitted Liens**” means (i) the Administration Charge; (ii) the Lenders Charge; (iii) any charges created under the Initial Order or other order of the Court in the CCAA Proceedings subsequent in priority to the Lenders Charge and approved in writing by the Lenders in their sole discretion, including for greater certainty, the Directors' Charge.

"**Permitted Priority Liens**" means (i) the Administration Charge; (ii) any amounts payable by the Borrower for wages, vacation pay, employee deductions, sales Tax, excise Tax, Tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income Tax and workers compensation claims, in each case solely to the extent such amounts are given priority by Applicable Law and only to the extent that the priority of such amounts has not been subordinated to the Lenders Charge granted by the Court.; and (iii) Directors' Charge.

"**Person**" means an individual, partnership, corporation, business trust, joint stock company, limited liability company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"**Related Party**" means in respect of any Person, such Person's affiliates and the directors, officers, partners, members, trustees, employees, controlling Persons, agents, administrators, managers, representatives and advisors of such Person and of such Person's affiliates.

"**Second Advance"** has the meaning given thereto in Section 5.

SCHEDULE "B"

BORROWER WIRE INSTRUCTIONS

[redacted]

SCHEDULE "C"

LENDERS' COMMITMENTS

LENDER	COMMITMENT	PERCENTAGE OF FACILITY
Roadmap Capital General Partner Ltd.	[redacted]	[redacted]
Roadmap Peraso LP III (U.S. and Offshore)	[redacted]	[redacted]

This is
EXHIBIT "C"
referred to in the affidavit of
RONALD GLIBBERY
affirmed on August 19, 2020

DocuSigned by:
Nicholas Avis
2C12EFAB5242430...

Commissioner for taking affidavits

DEBTOR-IN-POSSESSION CREDIT AGREEMENT

~~June 25~~August 18, 2020

WHEREAS:

A. Peraso Technologies Inc. (the "**Borrower**") has requested that Roadmap Capital General Partner Ltd.~~,~~ and Roadmap Peraso LP III (U.S. and Offshore) ~~and XCOM Labs, Inc.~~ (collectively, the "**Lenders**") provide it with financing to fund certain of the Borrower's cash requirements during the pendency of its proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") commenced before the Court in accordance with the terms and conditions set out herein.

B. The Lenders have agreed to provide interim financing in order to fund certain obligations of the Borrower in accordance with the terms and conditions set out herein.

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

1. DEFINED TERMS Unless otherwise defined herein, capitalized words and phrases used in this Debtor-In-Possession Credit Agreement (the "**Agreement**") have the meanings given thereto in Schedule "A".

2. BORROWER: Peraso Technologies Inc., a corporation incorporated under the laws of the Province of Ontario.

3. LENDERS: Roadmap Capital General Partner Ltd.~~,~~ and Roadmap Peraso LP III (U.S. and Offshore)~~ and XCOM Labs, Inc.~~, as allocated in the proportions set out in Schedule "C".

4. CREDIT FACILITY: A secured non-revolving credit facility (the "**DIP Facility**") in an aggregate amount of [redacted] (as such amount may be reduced from time to time pursuant to Sections 9 or 10 hereof, the "**Facility Amount**"), subject to the terms and conditions contained herein.

5. ADVANCE: The Facility Amount shall be advanced in full on August 20, 2020 by the Lenders to the Borrower ~~(*pro rata* to their commitments as set out in Schedule "C" hereof) in two tranches as follows:~~pursuant to the wire instructions appended hereto at Schedule "B".

~~i)~~ [redacted] ~~(the "**First Advance**"); and~~

~~ii)~~ [redacted] ~~(the "**Second Advance**"),~~

~~provided that, for each such advance, the Lenders shall have received from the Borrower a drawdown request in the form of Schedule "B" hereto (the "**Drawdown Request**") at least one Business Day prior to the date of the First Advance and the Second Advance, respectively.~~

6. INTEREST RATE:

Interest shall be payable in cash on the aggregate outstanding Facility Amount under the DIP Facility from the date of advance at a rate equal to ~~6~~14% *per annum*, compounded monthly and payable monthly in arrears in cash on the last Business Day of each month. Upon the occurrence and during the continuation of an Event of Default, all overdue amounts shall bear interest at the applicable interest rate plus 2% *per annum* payable on demand in arrears in cash.

Interest on the aggregate outstanding Facility Amount will accrue on the basis of a year of three hundred and sixty-five (365) or three hundred and sixty-six (366) days. For the purposes of the *Interest Act* (Canada), the annual rates of interest or fees to which the rates calculated in accordance with this DIP Facility are equivalent to the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by three hundred and sixty-five (365).

If any provision of this Agreement or any ancillary document in connection with this Agreement would obligate the Borrower to make any payment of interest or other amount payable to the Lenders in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Lenders of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)) then, notwithstanding such provision, such amount or rate will be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the Lenders of interest at a criminal rate and any such amounts actually paid by the Borrower in excess of the adjusted amount will be forthwith refunded to the Borrower.

7. MATURITY DATE:

The DIP Facility shall be repayable in full on the earlier of:

(a) a demand for repayment in writing having been made by the Lenders upon the occurrence of any Event of Default which is continuing and has not been cured in accordance with the terms of this Agreement;

(b) the date on which the Initial Order expires without being extended or on which the CCAA Proceedings are dismissed or converted into a proceeding under the *Bankruptcy and Insolvency Act* (Canada);

(c) the effective date of any confirmed plan of reorganization or arrangement by the CCAA Court;

(d) the sale of all or substantially all of the Collateral; and

(e) [redacted] or such other date as mutually agreed to by the parties to this agreement in writing,

(the earliest of such dates being the "**Maturity Date**"). The Maturity

Date may be extended from time to time at the request of the Borrower and with the prior written consent of the Lenders for such period and on such terms and conditions as the Lenders may agree in their sole discretion.

All amounts outstanding or payable under the Agreement, including the principal amount outstanding hereunder, all unpaid accrued interest and all fees and other amounts required to be paid by the Borrower, shall be due and payable in full on the Maturity Date.

8. PERMITTED USE OF PROCEEDS: The Borrower shall use proceeds of the DIP Facility solely for the following purposes and in the following order:

(a) to pay the reasonable and documented financial advisory fees and expenses and the reasonable and documented legal fees and expenses of (i) the Borrower and (ii) the Monitor (as defined below) (it being acknowledged by the Borrower and the Lenders that those fees and expenses incurred to the date hereof are reasonable);

(b) to pay all of the reasonable and documented fees and expenses (including the fees and expenses of their counsel and advisors) incurred by the Lenders in connection with, relating to or arising from the CCAA Proceeding (including preparation for, and attendance at, the Court from time to time), due diligence, negotiation and documentation of this Agreement, whether incurred prior to or after the date of the Initial Order, as well as all expenses of the Lenders in connection with the ongoing monitoring, maintenance, interpretation and administration of the DIP Facility and the enforcement of any of rights of the Lenders including pursuant to this Agreement; to pay the interest owing to the Lenders under this Agreement; and

(c) to fund the Borrower's (i) working capital and (ii) other general corporate purposes.

For greater certainty, the Borrower may not use the proceeds of the DIP Facility to pay any of its pre-filing obligations without the prior written consent of the Lenders; it being agreed by the Lenders that the Lenders' consent is not required for the Borrower to pay, (i) pre-filing amounts permitted pursuant to the Initial Order, (ii) amounts due to trade creditors in the ordinary course of business, and (iii) Taxes (as defined below), accrued payroll and other ordinary course liabilities.

9. VOLUNTARY PREPAYMENTS: Subject to the Lenders' Financing Option in Section 11 below, provided the Monitor is satisfied that the Borrower has sufficient cash reserves to satisfy amounts secured by the Permitted Priority Liens, the Borrower may prepay any amounts outstanding under the DIP Facility at any time prior to the Maturity Date. Any amount repaid may not be reborrowed.

10. MANDATORY REPAYMENTS:

Subject to the Lenders' Financing Option in Section 11 below, unless otherwise consented to in writing by the Lenders, and provided the Monitor is satisfied that the Borrower has sufficient cash reserves to satisfy amounts secured by the Permitted Priority Liens, the DIP Facility shall be promptly repaid and the Facility Amount shall be permanently reduced upon (i) the sale of any of the Collateral out of the ordinary course of business (other than any sale of obsolete or worn out equipment or other assets) and consented to in writing by the Lenders, in an amount equal to the net cash proceeds of such sale (for greater certainty, net of transaction fees and applicable Taxes in respect thereof); and (ii) receipt of any insurance proceeds, in an amount equal to such insurance proceeds received. Any amount repaid may not be reborrowed.~~Notwithstanding anything to the contrary in this Agreement, the Borrower shall have the right to set-off any amounts owing hereunder to XCOM Labs, Inc. in accordance with the terms of the side letter appended hereto at Schedule "D".~~

11. FINANCING OPTION

The Borrower hereby (i) grants to the Lenders an irrevocable option to participate on the same terms in any financing or refinancing of the Borrower that is completed following the date of this Agreement, and (ii) agrees to promptly provide the Lenders with all information and terms pertaining to any financing or refinancing plans that may arise following the date hereof.

12. CONDITIONS TO ADVANCE

The Lenders' agreement to make the advances available to the Borrower under this Agreement shall be subject to satisfaction of the following conditions precedent (the "**Funding Conditions**"):

(a) The Court shall have issued the DIP Order approving this Agreement and granting the Lenders a charge (the "**Lenders Charge**") on the Collateral of the Borrower, securing all obligations owing by the Borrower to the Lenders under this Agreement including, without limitation, all principal, interest and costs and expenses of the Lenders as set out in this Agreement (collectively, the "**Financing Obligations**") and providing, among other things, that the Lenders Charge shall have priority on the Collateral over all Liens and security interests of every kind and nature whatsoever (including, for greater certainty, the Existing DIP Lenders' Charge), other than the Permitted Liens, and such DIP Order shall not have been stayed, vacated or otherwise caused to be ineffective or amended, restated or modified in any manner that adversely affects the Lenders, without the written consent of the Lenders in their sole discretion;

(b) The Lenders shall be satisfied that (i) the Borrower is in compliance with all Applicable Law, in relation to their businesses other than as may be permitted under a Court

Order or as to which any enforcement in respect of non-compliance is stayed by a Court Order, (ii) the entering into of this Agreement, the granting of the Lenders Charge, the consummation of the transactions contemplated hereby and the performance hereof shall not violate any Applicable Law, (iii) the Borrower has obtained all corporate, governmental, regulatory and third party approvals as may be required in any relevant jurisdiction to enable and permit the entering into of this Agreement, the granting of the Lenders Charge, the consummation of the transactions contemplated hereby and thereby and the performance thereof, and (iv) service has been effected on each holder of a Lien listed on the service list agreed between the Borrower and the Lenders (or their counsel);

(c) No Default or Event of Default shall have occurred and be continuing;

(d) The Lenders shall be satisfied that no Material Adverse Change shall have occurred since the Filing Date;

(e) Since the Filing Date there shall not have occurred any payment, prepayment, redemption, purchase or exchange of any prepetition indebtedness or equity, or amendment or modification of any of the terms thereof, except as expressly permitted by the terms of the Initial Order;

(f) No appeal, notice of appeal or application for leave to appeal in respect of the Initial Order has been made or threatened;

(g) The Borrower shall have executed and delivered this Agreement~~.~~; and

(h) All documented expenses (including all documented legal and professional fees and expenses on a full indemnity basis) of the Lenders incurred in connection with their pre-filing claims and/or the DIP Facility shall have been paid in full (which documented expenses shall be deducted from the advance of the Facility Amount)~~;~~ .

~~(i) The Lenders shall have received a Drawdown Request, duly executed by an officer on behalf of the Borrower in the time period specified in Section 5 hereto; and~~

~~(j) Each of the representations and warranties made by the Borrower in this Agreement is true and correct in all material respects as of the date made or deemed made and as of the date of the advance.~~

For greater certainty, the Lenders shall not be obligated to advance or otherwise make available any funds pursuant to this

Agreement until all of the foregoing conditions have been satisfied and all of the foregoing documentation and confirmations have been obtained, each in form and substance satisfactory to the Lenders, provided further that the Lenders may, in their sole discretion, waive satisfaction of any one or more of such conditions precedent.

13. COSTS AND EXPENSES

The Borrower will reimburse the Lenders, without duplication: (i) up to and including the Filing Date for all reasonable and documented out-of-pocket expenses (including reasonable and documented legal and professional fees and expenses on a full indemnity basis) in connection with the negotiation and development of this Agreement and (ii) for all reasonable and documented out-of-pocket expenses (including reasonable and documented legal and professional fees and expenses on a full indemnity basis) in connection with the CCAA Proceedings, including due diligence, review and negotiation of filing materials, negotiation and documentation of this Agreement and related documentation and the on-going monitoring and administration of each and the enforcement of the Lenders Charge and any other security for the Financing Obligations.

All such reasonable and documented out-of-pocket expenses (including reasonable and documented legal and professional fees and expenses on a full indemnity basis) of the Lenders under paragraph (ii) above shall be included in the Financing Obligations and secured by the Lenders Charge.

14. SECURITY:

All present and future liabilities and obligations of the Borrower to the Lenders shall be secured and evidenced by the following documents completed in form and substance satisfactory to the Lenders and their counsel (collectively, the "**Lender's Security**"):

(a) the DIP Order (including the DIP Charge provided for therein);

(b) all supporting authorizations, certificates, acknowledgements and legal opinions as the Lenders may reasonably require; and

(c) such further documentation that the Lenders and their counsel may reasonably require.

15. PERMITTED LIENS AND PRIORITY:

All Collateral will be free and clear of all other Liens, except for the Permitted Liens. The Lenders Charge shall be subordinate only to the Permitted Liens.

16. MONITOR:

Pursuant to the Initial Order issued by the Ontario Superior Court of Justice (Commercial List) on June 3, 2020, Ernst & Young Inc. was appointed as the monitor (the “**Monitor**”) in the CCAA Proceedings. Ernst & Young Inc. was appointed solely in its capacity as Monitor and not in its personal or corporate capacity.

17. REPORTING: The Borrower covenants with the Lenders as follows:

(a) it shall deliver to the Lenders no later than 5 days from each calendar month end, a four week cash flow forecast and such other information as the Lenders may require including discussion of differences between actual and forecast results and any changes expected to costs going forward, all in form and substance satisfactory to the Lenders, and

(b) it will forthwith provide the Lenders with such other information, in electronic format whenever and wherever possible, as the Lenders may reasonably request.

18. REPRESENTATIONS AND WARRANTIES: The Borrower represents and warrants to the Lenders, upon which the Lenders are relying in entering in this Agreement, that:

(a) it is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and is duly qualified, licensed or registered to carry on business under the laws applicable to it in all jurisdictions in which the nature of its assets or business makes such qualification necessary;

(b) it has all requisite corporate power and authority to (i) own and operate its properties and assets and to develop, own and operate its business and (ii) to enter into and perform its obligations under this Agreement;

(c) the execution and delivery by it of this Agreement and the performance by it of its respective obligations hereunder have been duly authorized by all necessary corporate action and no authorization under any Applicable Law, and no registration, qualification, designation, declaration or filing with any Governmental Authority, is or was necessary therefor;

(d) this Agreement has been duly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, subject only to any limitation under Applicable Laws relating to (i) bankruptcy, insolvency, reorganization, moratorium or creditors' rights generally and (ii) the discretion that a court may exercise in the granting of equitable remedies;

(e) its assets (i) are legally and beneficially owned by or leased or licensed to it and are only located at the locations disclosed in writing to the Lenders, (ii) have not been sold, leased or otherwise disposed of, and (iii) are not subject to any rights of any Person other than Permitted Liens;

(f) the execution and delivery by it of this Agreement and the performance by it of its obligations hereunder and compliance with the terms, conditions and provisions hereof, will not conflict with or result in a breach of (i) its constating documents or by-laws; (ii) the Material Contracts to which it is party or (iii) any Applicable Law;

(g) its business operations have been and will continue to be conducted in compliance with all laws of each jurisdiction in which business has been or is being carried on;

(h) it has filed or caused to be filed all Tax returns and reports which are required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except Taxes that are being contested in good faith by appropriate proceedings and for which adequate cash reserves are being maintained;

(i) other than the CCAA Proceedings, the Chapter 15 Proceeding, and three litigation matters (one in New York and two in Ontario) involving Ubiquiti Inc. or its affiliates, there are no material actions, suits or proceedings (including any Tax-related matter and excluding any environmental-related matters which are dealt with in paragraph (o) below) by or before any arbitrator or Governmental Authority or by any other Person pending against or, to its knowledge, threatened against or affecting it;

(j) it maintains insurance policies and coverage which (i) are sufficient for compliance with law and all material agreements to which it is a party and (ii) provide adequate insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by Persons engaged in the same or similar business to its assets and operations; and

(k) all factual information provided by or on its behalf to the Lenders for the purposes of or in connection with this Agreement or any transaction contemplated herein is true and accurate in all material respects on the date as of which such information is dated or certified and remains true as of the date provided and is not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not materially misleading at such time in light of the circumstances under which such information was provided.

19. AFFIRMATIVE COVENANTS: The Borrower covenants and agrees from the date of execution of this Agreement and while the DIP Facility remains outstanding, that it will:

(a) make due and punctual payment to the Lenders of all amounts payable under this Agreement when due;

(b) comply with the provisions of all Court Orders and take all actions necessary or available to defend the Court Orders from any appeal, reversal, modifications, amendment, stay or vacating not expressly consented to in writing in advance by the Lenders;

(c) subject to the terms of the Initial Order, comply with all laws, rules, regulations and orders applicable to it or its property, including, without limitation, environmental laws and regulations and including payment on a timely basis of all municipal Taxes, utility charges or other amounts in relation to the Collateral charged by the Lenders Charge where the non-payment of same could give rise to a Lien and immediately notify the Lenders of any action, claim, lawsuit, demand, investigation or proceeding pending, or to the knowledge of the Borrower, threatened, against the Borrower, before any court, Governmental Authority, regulatory authority, arbitrator or tribunal;

(d) except where a stay of proceedings applies and subject to the terms of the Initial Order, pay when due all statutory liens, trust and other Crown claims including employee source deductions, HST and workplace safety and insurance premiums;

(e) comply with any Court Order made in connection with the CCAA Proceedings;

(f) deliver to the Lenders the reporting and other information from time to time reasonably requested by the Lenders and as set out in this Agreement including, without limitation, usual and customary financial reporting requirements;

(g) notify the Lenders of any material events, including without limitation any Default or Event of Default, Material Adverse Change, pending or threatened claims, proceeding, litigation or actions, any material developments in any Material Contract;

(h) notify the Lenders promptly of all material developments with respect to the business affairs of the Borrower, the litigation matters involving the Borrower and Ubiquiti Inc. or its affiliates and the CCAA Proceedings, including providing draft copies of all motions, applications, proposed orders or other materials or documents that the Borrower intends to file in the CCAA Proceedings;

(i) maintain sufficient insurance coverage in such amounts and against such risks as is customary and as a prudent Person in the same or similar business as the Borrower would maintain for its business;

(j) preserve, maintain, and renew all Material Contracts, licenses and permits;

(k) preserve, renew and keep in full force its corporate existence; and

(l) comply with the reporting requirements pursuant to Section 17.

20. NEGATIVE COVENANTS:

The Borrower covenants and agrees not to do the following, from the date of execution of this Agreement and while the DIP Facility remains outstanding without the Lenders' written consent:

(a) create or permit to exist any indebtedness other than: (A) the indebtedness existing as of the date of this Agreement and disclosed to the Lenders in writing, (B) post-filing trade payables, and (C) any indebtedness secured by the Permitted Priority Liens;

(b) create or permit to exist any Lien on any of its properties or assets other than Permitted Liens;

(c) make any investments or acquisitions of any kind, direct or indirect;

(d) make any payment, including, without limitation, any payment of principal, interest or fees, in respect of pre-filing indebtedness, or in respect of any other pre-filing liabilities, including payments with respect to pre-filing trade or unsecured liabilities of the Borrower, other than as required or permitted pursuant to the Initial Order or as otherwise expressly permitted under this Agreement;

(e) amalgamate or consolidate with or sell all or substantially all of its assets to any other Person, change its jurisdiction of organization, change its name, or amend its constating documents or enter into any agreement committing to such actions;

(f) make: (i) any distribution, dividend, return of capital or other distribution in respect of equity securities (in cash, securities or other property or otherwise), or (ii) a retirement, redemption, purchase or repayment or other acquisition of equity securities or indebtedness (including any payment of principal, interest, fees or any other payments thereon);

(g) (i) enter into, renew, amend or modify any transaction or contractual relationship with any Related Party, or (ii) make any payment with respect to, or perform any obligation under, an agreement with a Related Party;

(h) enter into, renew, amend, modify or assume any employment, consulting or analogous agreement or arrangement with any director, senior or executive officer or senior management of the Borrower or any Related Party, or make any payment to any such Person in respect of any bonus, change of control payment or severance package of any kind whatsoever other than (i) as consented to by the Monitor and approved by the Court on prior notice to the Lenders or (ii) as consented to by the Lenders, acting reasonably;

(i) transfer, lease or otherwise dispose of all or any part of its property, assets or undertaking outside of the ordinary course of business, except for the disposition of obsolete or worn out equipment or assets consistent with past practice;

(j) make any material changes in accounting practices other than those required by any governing regulator;

(k) amend its name or jurisdiction of incorporation;

(l) amend or terminate any Material Contract;

(m) seek, obtain or support any Court Order or any amendment or modification to a Court Order except with the prior written consent of the Lenders, (i) in their sole discretion in respect of any Court Order or amendment thereto relating to the DIP Facility or any other matter that could adversely affect the Lenders, and (ii) acting reasonably in respect of any other Court Order or amendment thereto that may result in a Material Adverse Change vis-à-vis the Lenders;

(n) enter into any new agreements, transactions or arrangements with other parties outside of the ordinary course of business that may result in a Material Adverse Change vis-à-vis the Lenders; and

(o) seek, obtain or support any other restructuring transaction without the prior written consent of the Lenders that may result in a Material Adverse Change vis-à-vis the Lenders.

The Borrower covenants and agrees not to settle any material litigation including those involving the Borrower and Ubiquiti Inc. or its affiliates without prior consultation with the Lenders regarding the proposed settlement. For the avoidance of doubt, the required consultation with the Lenders does not require the Lenders' consent or agreement to any proposed settlement.

21. EVENTS OF DEFAULT:

The occurrence of any one or more of the following events shall constitute an event of default (each, an "**Event of Default**") under this Agreement:

(a) failure of the Borrower to pay: (i) principal, interest or other amounts within two (2) Business Days of such amounts becoming due under this Agreement; or (ii) legal and other advisory fees and expenses of the Lenders, within five (5) Business Days of being invoiced therefor;

(b) failure by the Borrower to perform or comply with any of the affirmative covenants contained in Section 19, which such failure to perform or comply remains unremedied after two (2) Business Days (other than in respect of the affirmative covenant contained in Section 19(a) which is subject to the cure period specified in Section 21(a) herein);

(c) failure by the Borrower to perform or comply with any of the negative covenants contained in Section 20;

(d) any representation or warranty by the Borrower made or deemed to be made in this Agreement is or proves to be incorrect or misleading in any material respect as of the date made or deemed to be made;

(e) issuance of an order without the consent of the Lenders (i) dismissing the CCAA Proceeding or lifting the stay in the CCAA Proceeding to permit the enforcement of any security against the Borrower or the Collateral, the appointment of a receiver, interim receiver or similar official, an assignment in bankruptcy, or the making of a bankruptcy order or receiving order against or in respect of the Borrower, in each case which order is not stayed pending appeal thereof, and other than in respect of a non-material asset not required for the operations of the Borrower's business; (ii) granting any other Lien in respect of the Collateral that is in priority to or *pari passu* with the Lenders Charge other than as permitted pursuant to this Agreement, (iii) staying, reversing, vacating or otherwise modifying this Agreement, or (vi) staying, reversing, vacating or otherwise modifying any Court Order that may result in a Material Adverse Change vis-à-vis the Lenders;

(f) unless consented to in writing by the Lenders, the expiry without further extension of the stay of proceedings provided for in the Initial Order;

(g) the Borrower ceases (or threatens to cease) to carry on business in the ordinary course;

(h) unless the Lenders have consented thereto in writing, the filing by the Borrower of any motion or proceeding which (i) is not consistent with any provision of this Agreement or, as applicable, (ii) seeks to obtain a charge that shall rank ahead of the DIP Charge, other than the Permitted Liens, (iii) could otherwise reasonably be expected to materially adversely affect the interests of the Lenders, (iv) seeks an order in the CCAA Proceedings or the Chapter 15 Proceeding which, if granted, could reasonably be expected to result in a Material Adverse Change, (v) seeks to continue the CCAA Proceedings under the jurisdiction of a court other than the Court (for clarity, this Event of Default shall not include the commencement of the Chapter 15 Proceeding) or (vi) seeks to initiate any restructuring proceedings other than the CCAA Proceeding in any court or jurisdiction (for clarity, this Event of Default shall not include the commencement of the Chapter 15 Proceeding);

(i) any proceeding, motion or application is commenced or filed by the Borrower, or if commenced by another party, is supported, remains unopposed or otherwise consented to by the Borrower, seeking the approval of any Alternative Transaction that is not otherwise approved in writing by the Lenders;

(j) the making by the Borrower of a payment of any kind that is not permitted by this Agreement;

(k) except as stayed by order of the Court, revocation or cancellation of, any Material Contract, or other material licence or permit;

(l) the denial or repudiation by the Borrower of the legality, validity, binding nature or enforceability of (i) this Agreement; or (ii) the pre-filing obligations of the Borrower to the Lenders in their capacity as significant pre-filing creditors of the Borrower under any document governing such obligations;

(m) except as stayed by order of the Court, the entry of one or more final judgments, writs of execution, garnishment or attachment representing a claim in excess of US$250,000, against the Borrower or the Collateral that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after their entry, commencement or levy;

(n) any addition, removal or replacement of directors from the board of directors (other than any resignation) of the Borrower unless acceptable to the Lenders; or

(o) the occurrence of a Material Adverse Change.

22. REMEDIES: Upon the occurrence and during the continuance of an Event of Default, without any further notice or demand, the Lenders may, in their sole discretion, terminate its commitment under the DIP Facility and declare the obligations owing to them under this Agreement to be immediately due and payable.

Without limiting the foregoing remedies, upon the occurrence and during the continuance of an Event of Default, the Lenders may, in their sole discretion:

(a) on no less than two business days' notice to the Borrower and the Monitor, apply to a court for the appointment of a receiver, an interim receiver or a receiver and manager over the Collateral, or for the appointment of a trustee in bankruptcy of the Borrower;

(b) set-off or combine any amounts then owing by the Lenders to the Borrower against the obligations of the Borrower to the Lenders hereunder;

(c) subject to obtaining an order from the Court granting leave to exercise such remedies on at least two business days' notice to the Borrower and the Monitor, exercise all such other rights and remedies under this Agreement, the Court Orders, the Existing Security and Applicable Law; and

(d) subject to obtaining prior approval from the Court, exercise the powers and rights of a secured party under the *Personal Property Security Act* (Ontario), or any legislation of similar effect.

23. INDEMNIFICATION: The Borrower agrees to indemnify and hold harmless the Lenders, their affiliates and their officers, directors, shareholders, employees, agents and advisors (each, an "**Indemnified Person**") from and against any and all suits, actions, proceedings, orders, claims, damages, losses, liabilities and expenses (including reasonable legal fees and disbursements and other costs of investigation or defence, including those incurred upon any appeal) that may be instituted or asserted against or incurred by any such Indemnified Person as a result of or in connection with credit having been extended, suspended or terminated under or in relation to the DIP Facility or the use of the proceeds thereof and the administration of such credit, and in connection with or arising out of the transactions contemplated hereunder and any actions or failure to act in connection therewith including the taking of any enforcement actions by the Lenders and including any and all environmental liabilities and reasonable legal costs and expenses arising out of or incurred in connection with disputes between or among the Borrower and Lenders; provided that such indemnity will not, as to any Indemnified Person, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross or intentional fault of such Indemnified Person. All such indemnified amounts, if not immediately paid by the Borrower upon demand, will be secured by the Lenders Charge.

24. TAXES: All loan repayments and prepayments will be made free and clear of any taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively "**Taxes**"). If any Taxes are required by Applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the Lenders under this Agreement, the amount so payable to the Lenders shall be increased to the extent necessary to yield to the Lenders on a net basis after payment of all Withholding Taxes, the amount payable under this Agreement at the rate or in the amount specified herein and the Borrower shall provide evidence satisfactory to the Lenders that the Taxes have been so withheld and remitted.

If the Borrower pays an additional amount to the Lenders to account for any deduction or withholding, the Lenders shall reasonably cooperate with the Borrower to obtain a refund of the amounts so withheld, including filing income Tax returns in applicable jurisdictions, claiming a refund of such Tax and providing evidence of entitlement to the benefits of any applicable Tax treaty. The amount of any refund so received, and interest paid by the Tax authority with respect to any refund, shall be paid over by the Lenders to the Borrower. If reasonably requested by the Borrower, the Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the Lenders shall cooperate with the Borrower to minimize the amount of deductions or withholdings required.

The Borrower will reimburse the Lenders for any costs incurred by the Lenders in performing their obligations under this Agreement resulting from any change in law, including, without limitation, any reserve or special deposit requirements or any Tax or capital requirements or any change in the compliance of the Lenders therewith that has the effect of increasing the cost of funding to the Lenders or reducing their effective rate of return on capital.

25. FURTHER ASSURANCES: The Borrower shall, at its own expense, from time to time, do execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the Lenders may reasonably request for the purpose of giving effect to this Agreement.

26. CURRENCY: Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States and all funds and payments contemplated under this Agreement shall be in United States dollars.

27. JUDGMENT CURRENCY: If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due to a Lender in any currency (the "**Original Currency**") into another currency (the "**Other Currency**"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, such Lender could purchase the Original Currency with the Other Currency on the Business Day preceding the day on which final judgment is given or, if permitted by Applicable Law, on the day on which the judgment is paid or satisfied.

The obligations of the Borrower in respect of any sum due in the Original Currency from it to the Lenders under this Agreement shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Lenders of any sum adjudged to be so due in the Other Currency, the Lenders may, in accordance with normal banking procedures, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lenders in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding the judgment, to indemnify the Lenders, against any loss, and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Lenders in the Original Currency, the Lenders shall remit such excess to the Borrower.

28. GOVERNING LAW: This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

29. AMENDMENTS: No amendment of this Agreement shall be effective unless signed by all parties hereto.

30. ENTIRE AGREEMENT: This Agreement and the schedules hereto constitute the entire agreement between the Borrower and Lenders relating to the subject matter hereof.

31. NOTICES: Any notice, request or other communication hereunder to any of the parties shall be in writing and be sufficiently given if delivered personally or sent by electronic mail to such party at its address set out on its signature page hereof. Any such notice, request or other communication hereunder shall be concurrently sent to the Monitor and its counsel.

Any such notice shall be deemed to be given and received when received, unless received after 5:00 p.m. Eastern Time or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.

32. ASSIGNMENT: The Lenders may assign this Agreement and their rights and obligations hereunder, in whole or in part, or grant a participation in their respective rights and obligations hereunder to any party acceptable to the Lenders in their sole and absolute discretion without notice to or consent from the Borrower. Neither this Agreement nor any right or obligation hereunder may be assigned by the Borrower.

33. SEVERABILITY: Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

34. COUNTERPART SIGNATURES: This Agreement may be executed in any number of counterparts and by facsimile or other electronic transmission, each of which when executed and delivered will be deemed to be an original, and all of which when taken together will constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date first above written.

PERASO TECHNOLOGIES INC.

By: ______________________________
Name:
Title:

ROADMAP CAPITAL GENERAL PARTNER LTD., on its own behalf

By: ______________________________
Name:
Title:

ROADMAP CAPITAL GENERAL PARTNER LTD., as general partner of ROADMAP PERASO LP III (U.S. AND OFFSHORE)

By: ______________________________
Name:
Title:

~~**XCOM LABS, INC.**~~

~~By:~~ ______________________________

~~Name:~~

~~Title:~~

SCHEDULE "A"

DEFINED TERMS

"**Administration Charge**" means an administration charge in an aggregate amount not to exceed C$725,000.

"**Alternative Transaction**" means any offer, restructuring, refinancing, recapitalization, sale, liquidation, workout or plan of compromise or arrangement or reorganization of, or in respect of, all or any of the Borrower's assets and liabilities.

"**Applicable Law**" means, in respect of any Person, property, transaction or event, all applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any Governmental Authority having the force of law.

"**Borrower**" has the meaning given thereto in Section 2.

"**Business Day**" means any day other than a Saturday, Sunday or any other day in which banks in Toronto, Ontario are not open for business.

"**CCAA**" means the *Companies' Creditors Arrangement Act* (Canada).

"**CCAA Proceeding**" means the Borrower's proceeding under the CCAA.

"**Chapter 15**" means Chapter 15 of Title 11 of the United States Code.

"**Chapter 15 Proceeding**" means the Borrower's proceeding, filed in the United States Bankruptcy Court for the Southern District of New York, by the Monitor as foreign representative of the Borrower, under Chapter 15.

"**Closing Date**" means the date on which all Funding Conditions have been satisfied.

"**Collateral**" means all now owned or hereafter acquired assets and property of the Borrower, real and personal, tangible or intangible.

"**Court**" means the Ontario Superior Court of Justice (Commercial List).

"**Court Order**" means any of the Initial Order, and any other orders of the Court entered in connection with the CCAA Proceedings.

"**Default**" means an event or circumstance which, after the giving of notice or the passage of time, or both, will result in an Event of Default.

"**DIP Facility**" has the meaning given thereto in Section 4.

"**Directors' Charge**" means a directors and officers liability charge in an amount not to exceed C$650,000.

"**Existing DIP Lenders' Charge**" means the charge in favour of the Lenders securing all obligations owing by the Borrower to the Lenders under the debtor-in-possession credit agreement dated June 25, 2020 among the Borrower, the Lenders and XCOM Labs, Inc., of which, as of the date hereof, an aggregate principal amount of [redacted] is owing thereunder by the Borrower to the Lenders.

"**Event of Default**" has the meaning given thereto in Section 21.

"**Facility Amount**" has the meaning given thereto in Section 4.

"**Filing Date**" means the date of commencement of the CCAA Proceedings.

"**Financing Obligations**" has the meaning given thereto in Section 12(a).

"**First Advance**" has the meaning given thereto in Section 5.

"**Funding Conditions**" has the meaning given thereto in Section 12.

"**Governmental Authority**" means any federal, provincial, state, municipal, local or other government, governmental or public department, commission, board, bureau, agency or instrumentality, domestic or foreign and any subdivision, agent, commission, board or authority of any of the foregoing.

"**Initial Order**" means an initial order of the Court pursuant to which the Borrower shall commence the CCAA Proceedings.

"**DIP Order"** means the order of the Court approving this Agreement and the Lenders Charge;

"**Lenders**" has the meaning given thereto in Section 3.

"**Lenders' Charge**" has the meaning given thereto in Section 12(a).

"**Liens**" means all liens, hypothecs, charges, mortgages, trusts, deemed trusts (statutory or otherwise), encumbrances and security interests of every kind and nature whatsoever.

"**Material Adverse Change**": means any change, condition, event or occurrence, which, when considered individually or together with all other changes, conditions, events or occurrences, could reasonably be expected to have a material adverse effect on: (i) the financial condition, business, performance, operation, assets or property of the Borrower as a whole; (ii) the ability of the Borrower to timely and fully perform any of its material obligations under this Agreement, or any Court Order; or (iii) the validity or enforceability of this Agreement, or the rights and remedies of the Lenders under this Agreement;

"**Material Contract**" means any contract, licence or agreement: (i) to which the Borrower is a party or is bound; (ii) which is material to, or necessary in, the operation of the business of the Borrower; and (iii) which the Borrower cannot promptly replace by an alternative and comparable contract with comparable commercial terms.

"**Maturity Date**" has the meaning given thereto in Section 7

"**Monitor**" has the meaning given thereto in Section 16.

"**Permitted Liens**" means (i) the Administration Charge; (ii) the Lenders Charge; (iii) any charges created under the Initial Order or other order of the Court in the CCAA Proceedings subsequent in priority to the Lenders Charge and approved in writing by the Lenders in their sole discretion, including for greater certainty, the Directors' Charge.

"**Permitted Priority Liens**" means (i) the Administration Charge; (ii) any amounts payable by the Borrower for wages, vacation pay, employee deductions, sales Tax, excise Tax, Tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income Tax and workers compensation claims, in each case solely to the extent such amounts are given priority by Applicable Law and only to the extent that the priority of such amounts has not been subordinated to the Lenders Charge granted by the Court.; and (iii) Directors' Charge.

"**Person**" means an individual, partnership, corporation, business trust, joint stock company, limited liability company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"**Related Party**" means in respect of any Person, such Person's affiliates and the directors, officers, partners, members, trustees, employees, controlling Persons, agents, administrators, managers, representatives and advisors of such Person and of such Person's affiliates.

"**Second Advance"** has the meaning given thereto in Section 5.

SCHEDULE "B"

~~DRAWDOWN REQUEST~~

~~**TO:**~~	~~Roadmap Capital General Partner Ltd., Roadmap Peraso LP III (U.S. and Offshore) and XCOM Labs, Inc. (the "**Lenders**")~~
~~**FROM:**~~	~~PERASO TECHNOLOGIES INC. (the "**Borrower**")~~
~~**DATE:**~~	~~______________________, 2020~~

~~Pursuant to the debtor-in-possession credit agreement dated as of June 25, 2020 (as amended, restated and otherwise modified from time to time, the "**Credit Agreement**") between the Lenders and the Borrower, the Borrower is required as a condition precedent to the advance of the Facility Amount to deliver this Drawdown Request to the Lenders. Unless otherwise defined herein, all capitalized terms used in this Drawdown Request will have the meanings given to such terms in the Credit Agreement.~~

~~The Borrower hereby certifies that:~~

~~(a) the representations and warranties set forth in Section 18 of the Credit Agreement are true and accurate in all material respects as of the date hereof, as though made on and as of the date hereof;~~

~~(b) it is in compliance with the covenants and all other terms and conditions set forth in the Credit Agreement, other than those that have been waived in writing by the Lenders; and~~

~~(c) no Default or Event of Default has occurred and is continuing nor will the making of the requested advance result in the occurrence of any such event.~~

~~The Borrower hereby requests an advance under the DIP Facility and directs the Lenders to make such advance as follows:~~

~~Date of advance:~~	~~______________________, 2020~~
~~Total Facility Amount:~~	~~US$●~~
~~Bank Account Information:~~	~~●~~

~~**IN WITNESS WHEREOF** the undersigned has executed this Drawdown Request on the date first above written.~~

~~**PERASO TECHNOLOGIES INC.**~~

~~By:~~ ____________________________________
~~Name:~~
~~Title:~~

BORROWER WIRE INSTRUCTIONS

[redacted]

SCHEDULE "C"

LENDERS' COMMITMENTS

LENDER	COMMITMENT	PERCENTAGE OF FACILITY
Roadmap Capital General Partner Ltd.	[redacted]	[redacted]
Roadmap Peraso LP III (U.S. and Offshore)	[redacted]	[redacted]
~~XCOM Labs, Inc.~~	[redacted]	[redacted]

~~SCHEDULE "D"~~

~~SIDE LETTER RE XCOM LABS, INC.~~

~~June 25, 2020~~

~~XCOM Labs, Inc.~~
~~9450 Carroll Park Dr.~~
~~San Diego, CA~~
~~92121~~

~~RE: Set-off arrangements vis-à-vis XCOM Principal Amount and XCOM Milestone Payments (each as defined below)~~

~~Dear Sirs/Mesdames:~~

~~Reference is made to:~~

~~(a) the debtor-in-possession credit agreement dated June 25, 2020 among Peraso Technologies Inc. ("**Peraso**"), Roadmap Capital General Partner Ltd., Roadmap Peraso LP III (U.S. and Offshore) and XCOM Labs, Inc. ("**XCOM**"), as may be amended from time to time (the "**DIP Credit Agreement**"), pursuant to which the Lenders (as defined in the DIP Credit Agreement), including XCOM, agreed to furnish Peraso with financing by way of a secured non-revolving credit facility in the aggregate principal amount of~~ [redacted] ~~of which an aggregate principal amount of~~ [redacted] ~~will be advanced by XCOM (the "**XCOM Principal Amount**"), in order to fund certain of Peraso's cash requirements during the pendency of Peraso's proceedings under the *Companies' Creditors Arrangement Act* (Canada); and~~

~~(b) the software and firmware licence and development agreement dated February 13, 2020 between Peraso and XCOM, as may be amended from time to time (the "**S&L Agreement**"), to which is appended a statement of work, as may be amended from time to time (the "**SOW**"), pursuant to which Peraso agreed~~ [redacted] ~~in exchange for certain milestone payments by XCOM totalling~~ [redacted] ~~(the "**XCOM Milestone**~~

~~**Payments**"), such XCOM Milestone Payments to be paid on the achievement by Peraso of development milestones in accordance with the SOW (the "**Development Milestones**", and the payment dates in respect of such Development Milestones, the "**Development Milestone Payment Dates**");~~

~~The undersigned hereby agree as follows:~~

1. ~~To the extent Peraso achieves a Development Milestone (for the sake of clarity, including without limitation acceptance of any deliverable by XCOM as provided for achieving the Development Milestone) as contemplated in the SOW prior to the Maturity Date (as defined in the DIP Credit Agreement), thus triggering an XCOM Milestone Payment by XCOM to Peraso, the XCOM Principal Amount shall be set-off and reduced on the Development Milestone Payment Date by an amount equivalent to the XCOM Milestone Payment (collectively, the "**Set-Off**"). On or immediately following the date of such Set-Off, Peraso shall send a notice to the Lenders (as defined in the DIP Credit Agreement) informing them of: (a) the amount which was the subject of the Set-Off; and (b) the new XCOM Principal Amount after the Set-Off for purposes of the DIP Credit Agreement.~~

2. ~~Any amounts which are the subject of Set-Off on a Development Milestone Payment Date will not accrue interest on and after such date.~~

3. ~~Peraso will settle in cash on the Maturity Date (as defined in the DIP Credit Agreement) any outstanding portion of the XCOM Principal Amount and/or any interest amounts which may be owing thereon (to the extent such amounts are then owing).~~

4. ~~Notwithstanding any other provision of the DIP Credit Agreement or any other agreement entered into by and among Peraso and any other creditor with respect to the matters of the DIP Credit Agreement, XCOM's participation in the DIP Credit Agreement shall be exclusively as an individual lender. Towards that end, the rights of XCOM under the DIP Credit Agreement shall not be affected or impeded in any way by the appointment of a lenders' agent for lenders other than XCOM and XCOM shall maintain sole and exclusive discretionary control of its position as an individual lender under the DIP Credit Agreement to Peraso.~~

5. ~~If and to the extent that any provisions of this letter conflict with the DIP Credit Agreement, the S&L Agreement or the SOW, the provisions hereof shall prevail.~~

6. ~~This letter may only be amended, supplemented or otherwise modified by a written agreement signed by each of the undersigned.~~

7. ~~No waiver of any of the provisions of this letter will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the party to be bound by the waiver. A party's failure or delay in exercising any right under this letter will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a party from any other or further exercise of that right or the exercise of any other right.~~

8. ~~If any provision of this letter is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this letter and the remaining provisions will remain in full force and effect.~~

~~9. This letter is governed by and will be interpreted and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each party irrevocably attorns and submits to the exclusive jurisdiction of the Ontario courts situated in the City of Toronto and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.~~

~~10. This letter may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other electronic means is as effective as a manually executed counterpart of this letter.~~

~~*[Signature page follows.]*~~

~~Yours truly,~~

~~**PERASO TECHNOLOGIES INC.**~~

~~By:~~ ______________________________
~~Authorized Signing Officer~~

~~**ACKNOWLEDGED AND AGREED** as of the date first above written.~~

~~**XCOM LABS, INC.**~~

~~By:~~ ______________________________
~~Authorized Signing Officer~~

~~111887930~~

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.: CV-20-00642010-00CL

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

AFFIDAVIT OF RONALD GLIBBERY
AFFIRMED AUGUST 19, 2020

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Lawyers for the Applicant, Peraso Technologies Inc.

TAB 3

Court File No. CV-20-00642010-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	THURSDAY, THE 20TH
	)	
JUSTICE CONWAY	)	DAY OF AUGUST, 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**")

ORDER
(Approval of Second DIP Agreement)

THIS MOTION, 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 videoconference due to the COVID-19 crisis.

ON READING the unredacted affidavit of Ronald Glibbery affirmed August 19, 2020 (the "**Sixth Glibbery Affidavit**") and the Exhibits thereto, the unredacted Fourth Report of Ernst & Young Inc., in its capacity as monitor (the "**Monitor**") to the Applicant, dated August ●, 2020 (the "**Fourth Report**"), and on hearing the submissions of counsel for the Applicant and counsel for the Monitor and those other parties listed on the counsel slip;

AND UPON BEING SATISFIED that the Applicant has acted, and is continuing to act in good faith in accordance with the CCAA;

SERVICE

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

DIP FINANCING

2. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from Roadmap Capital General Partner Ltd. and Roadmap Peraso LP III (U.S. and Offshore) (collectively, the "**Second DIP Lenders**") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, all as specifically provided for in the Second DIP Agreement (as defined in paragraph 3 hereof).

3. **THIS COURT ORDERS THAT** such credit facility shall be on the terms and subject to the conditions set forth in the Debtor-in-Possession Credit Agreement between the Applicant and the Second DIP Lenders dated as of August 18, 2020 (the "**Second DIP Agreement**"), filed.

4. **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 Second DIP Agreement or as may be reasonably required by the Second DIP Lenders 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 Second DIP Lenders under and pursuant to the Second DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

5. **THIS COURT ORDERS** that the Second DIP Lenders shall be entitled to the benefit of and are hereby granted a charge (the "**Second DIP Lenders' Charge**"), which Second DIP Lenders' Charge shall not secure an obligation that exists before this Order is made. The Second DIP Lenders' Charge shall have the priority set out in paragraphs 8 and 10 hereof.

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

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

(b) upon the occurrence of an event of default under the Second DIP Agreement, on no less than two business days' notice to the Applicant and the Monitor, the Second DIP Lenders may apply to the Court to exercise any and all of their rights and remedies against the Applicant or the Property (as that term is defined in the Amended and Restated Initial Order) under or pursuant to the Second DIP Agreement, Definitive Documents and the Second DIP Lenders' Charge; and

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

7. **THIS COURT ORDERS AND DECLARES** that the Second DIP Lenders 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 Second DIP Agreement.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

8. **THIS COURT ORDERS** that the priorities of the Administration Charge and the Directors' Charge (as each of those terms is defined in the Amended and Restated Initial Order), the DIP Lenders' Charge (as that term is defined in the Approval of DIP Agreement & Extension of the Stay of Proceedings Order granted July 2, 2020) and the Second DIP Lenders' Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of $725,000);

Second - Directors' Charge (to the maximum amount of $650,000);

Third – Second DIP Lenders' Charge; and

Fourth - DIP Lenders' Charge.

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

10. **THIS COURT ORDERS** that each of the Administration Charge, the Directors' Charge, the Second DIP Lenders' Charge and the DIP Lenders' Charge 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 individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**").

11. **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 Administration Charge, the Directors' Charge, the Second DIP Lenders' Charge or the DIP Lenders' Charge, unless the Applicant also obtains the prior written consent of the Monitor and the beneficiaries of the Administration Charge, the Directors' Charge, the Second DIP Lenders' Charge and the DIP Lenders' Charge, or further Order of this Court.

12. **THIS COURT ORDERS** that the Directors' Charge, the Administration Charge, the Second DIP Agreement, the Definitive Documents, the Second DIP Lenders' Charge, and the DIP Lenders' Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the Second DIP Lenders thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of

creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the 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 Second DIP Agreement or the Definitive Documents shall 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 Second DIP Agreement, 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 Second DIP Agreement or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

13. **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.

SEALING

14. **THIS COURT ORDERS** that the unredacted Sixth Glibbery Affidavit, the unredacted Second DIP Agreement and the unredacted Fourth Report are hereby sealed and shall not form part of the public record until further order of the Court.

GENERAL

15. **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.

16. **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.

17. **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.

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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.: CV-20-00642010-00CL

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

ORDER
(Approval of Second DIP Agreement)

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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.

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

MOTION RECORD
(RETURNABLE AUGUST 20, 2020)

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