ENDORSEMENT

COURT FILE NO.: CV-20-00642010-00CL **DATE:** October 28, 2020

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

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

A motion was brought by the Applicants and returnable before me by Zoom videoconference call due to COVID on October 28, 2020. Counsel in attendance as per the attached Counsel Slip.

1. The Applicant has brought a motion seeking an order (the "**Order**"), among other things: (i) terminating these CCAA proceedings and the CCAA stay of proceedings (the "**Stay Period**") upon the expiry of the requested stay extension; (ii) terminating the Administration Charge, the Directors' Charge, the DIP Lenders' Charge, the Second DIP Lenders' Charge, and the Third DIP Lenders' Charge (all as defined in the Applicant's Motion Record); (iii) approving the fees and disbursements of the Monitor and its Canadian and U.S. counsel; (iv) approving the activities of the Monitor, discharging the Monitor, and releasing the Monitor from any potential claims against it; and (v) extending the Stay Period to November 30, 2020.

2. The Applicant's request is unopposed and is supported by the Monitor.

3. The Applicant initially sought protection under the CCAA primarily due to the effect of certain litigation with Ubiquiti Inc. ("**Ubiquiti**") and its affiliates (the "**Ubiquiti Litigation**"). Now that the Ubiquiti Litigation has been resolved, the Applicant no longer faces the same financial and operational challenges that were central to its request for protection under the CCAA. The Applicant has satisfied the Monitor, and the Court, that it is in a better financial position now than when the CCAA proceedings were initiated and is able to meet its obligations as they come due. Further, no stakeholder or creditor has indicated that it will be prejudiced by the termination of the CCAA proceeding. For these reasons, the Court finds that the Applicant's request for an order terminating these CCAA proceedings and the Stay Period upon the expiry of the requested stay extension is reasonable and appropriate in the circumstances and the requested relief is granted. The CCAA proceedings shall terminate in accordance with the procedure specified in the Order.

4. The Applicant's request to terminate the Administration Charge, the Directors' Charge, the DIP Lenders' Charge, the Second DIP Lenders' Charge, and the Third DIP Lenders' Charge is reasonable and appropriate and the requested relief is granted. All amounts owing to Roadmap (as defined in the Applicant's Motion Record) under the DIP Lenders'

Charge and the Second DIP Lenders' Charge and will be repaid pursuant to the Roadmap Repayment (as defined in the Applicant's Motion Record). All amounts owing to Ubiquiti Networks Canada Inc. as the beneficiary of the Third DIP Lenders' Charge have been fully repaid. All amounts owing to the beneficiaries of the Administration Charge will be paid prior to the termination of these CCAA proceedings because, as set out in the Order, such payment is a precondition to termination of these proceedings. The Applicant advises the Court that there are no amounts owing pursuant to the Directors' Charge and the beneficiaries of such charge consent to the charge being discharged.

5. The Court grants the Applicant's request for an order approving the fees and disbursements of the Monitor and its Canadian and U.S. counsel as detailed in the Tenth Report of the Monitor dated October 27, 2020 (the "**Tenth Report**"). The Court finds that the fees and disbursements are fair and reasonable in the circumstances and have been validly incurred in accordance with the provisions of the orders issued in these CCAA proceedings.

6. The Court also grants the Applicant's request for an order approving the fees and disbursements of the Monitor and its Canadian and U.S. counsel that are not set out in the Tenth Report but that have been or are anticipated to be incurred in the performance of the duties of the Monitor, up to a maximum of CDN$65,000 in the aggregate (plus applicable HST), without further order of the Court. I find that the requested relief is reasonable in the circumstances and will avoid the burden and expense to the Applicant of returning to Court for a further order seeking approval of these fees.

7. The Applicant's request to approve the activities of the Monitor, discharge the Monitor, and release the Monitor from claims against it is reasonable and appropriate and the requested relief is granted. As set out in the Tenth Report, the Monitor has carried out its activities in a manner consistent with the provisions of the CCAA and in compliance with the Initial Order, and accordingly those activities, and each of the Reports of the Monitor filed in this proceeding to date, are approved. The Monitor shall be discharged from its duties in accordance with the terms of the Order. Notwithstanding that discharge, as provided in the Order, the Monitor shall remain Monitor and shall have the authority to carry out the Monitor Incidental Matters (as defined in the Order), which includes matters related to the Applicant's Chapter 15 Proceeding (as defined in the Order). Finally, I find that the release of the Monitor from claims against it, on the terms outlined in the Order, is reasonable and appropriate and the requested relief is granted.

8. The Applicant requests an extension of the Stay Period referred to in the Amended and Restated Initial Order until and including November 30, 2020. I am satisfied that the requested extension is reasonable and appropriate and the Applicant's request is granted.

9. The Applicant advises the Court that the Applicant's D&O insurer, Great American Insurance Company ("**Great American**"), had previously indicated that it intended to bring a motion to lift the stay of proceedings contained in the Initial Order for the purpose of issuing a denial of coverage letter. The Applicant further advises the Court that, given the terms of the Order and the Applicant's intention to exit these CCAA proceedings in the near-term, the parties have agreed that the issues raised by Great American can be dealt with in the ordinary course once these CCAA proceedings are terminated. Great American

has reserved its right to schedule its motion if these CCAA proceedings are not terminated prior to the end of the Stay Period on November 30, 2020.

Hainey J.

Hainey, J.