

Court File No. 32-2853708
Estate No. 32-2853708

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY
(COMMERCIAL LIST)

THE HONOURABLE) FRIDAY, THE 2ND
)
JUSTICE OSBORNE) DAY OF SEPTEMBER, 2022

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF iS5 COMMUNICATIONS INC., OF THE CITY OF
MISSISSAUGA IN THE PROVINCE OF ONTARIO

ORDER
(Extension of Proposal Period)

THIS MOTION, made by iS5 Communications Inc. (the “**Debtor**”), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) was heard this day by video conference at 330 University Avenue, Toronto, Ontario.

ON READING the notice of motion, the affidavit of Clive Dias sworn August 26, 2022 (the “**Dias Affidavit**”) and the Exhibits thereto, the first report of Grant Thornton Limited, in its capacity as proposal trustee (the “**Proposal Trustee**”), dated August 5, 2022 (the “**First Report**”) and the second report of the Proposal Trustee, dated August 26, 2022 (the “**Second Report**”), and on hearing the submissions of counsel for the Debtor, counsel for the Proposal Trustee, counsel for Silicon Valley Bank, counsel for Phoenix Contact Venture Funds I GmbH, and such other counsel who were present as listed on the Counsel Slip, no one else appearing for any other person

on the service list, although duly served as it appears from the affidavits of service of Carolyn Flanagan and Danny David sworn August 26, 2022, filed.

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.

EXTENSION OF THE PROPOSAL PERIOD

2. THIS COURT ORDERS that, pursuant to subsection 50.4(9) of the BIA, the time for filing a proposal with the Official Receiver in the proceedings of the Debtor, including the stay of proceedings, is extended to and including October 17, 2022.

INTERIM DISTRIBUTION

3. THIS COURT ORDERS AND DIRECTS that the Debtor be and is hereby authorized and directed to distribute to Silicon Valley Bank USD \$209,666.66 in partial satisfaction of its secured claim.

APPOINTMENT OF INDEPENDENT DIRECTOR

4. THIS COURT ORDERS that the Debtor is hereby authorized and directed to retain John Gillberry as an independent director of the Debtor.

5. THIS COURT ORDERS that John Gillberry shall be entitled to the benefit of the indemnity provided by the Debtor to the directors and officers of the Debtor and the Directors' Charge, as set out and defined at paragraphs 3 and 4 in the order of the Honourable Justice Osborne made in this proceeding dated August 8, 2022.

REPORT AND ACTIVITIES OF THE PROPOSAL TRUSTEE

6. THIS COURT ORDERS that the First Report, the Second Report, and the actions, conduct and activities of the Proposal Trustee described therein, be and are hereby approved, provided, however, that only the Proposal Trustee, in its personal capacity only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

GENERAL

7. THIS COURT ORDERS that the Debtor or the Proposal Trustee may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

8. 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 Debtor, the Proposal Trustee 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 Debtor and to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist the Debtor and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

9. THIS COURT ORDERS that each of the Debtor and the Proposal Trustee 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 Proposal Trustee 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.

10. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order, and this Order is enforceable without the need for entry and filing.

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF iS5 COMMUNICATIONS INC., OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

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SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**Proceeding commenced at
Toronto**

**ORDER
(Extension of Proposal Period)**

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