

**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 iMARKETING SOLUTIONS GROUP  
INC.** and those Companies referred to on Schedule "A"

Applicants

**MOTION RECORD  
(Returnable August 2, 2013)**

July 29, 2013

**Thornton Grout Finnigan LLP**  
Barristers and Solicitors  
100 Wellington Street West  
Suite 3200  
Toronto, ON M5K 1K7

**Robert I. Thornton** (LSUC# 24266B)

E-mail: [rthornton@tgf.ca](mailto:rthornton@tgf.ca)

**Danny M. Nunes** (LSUC# 53802D)

E-mail: [dnunes@tgf.ca](mailto:dnunes@tgf.ca)

Tel: 416-304-1616

Fax: 416-304-1313

Lawyers for the Applicants

**Schedule "A"**

**List of Applicants**

iMarketing Solutions Group Inc.

The Responsive Marketing Group Inc.

GWE Consulting Group (USA) Inc.

Direct Contact Strategies Inc.

Front Line Support Inc.

iMark Events Inc.

RMG General Partner Inc.

Cabot Call Centre Inc.

Engage Interactive Inc.

RMG Smiths Falls LP

RMG Thunder Bay LP

MLHL Marketing Inc.

MLHL Marketing LP

Xentel Inc. (Delaware)

Wellesley Corporation Inc. (Delaware)

US Billing Inc. (Delaware)

American Graphics & Design Inc. (Wisconsin)

Courtesy Health Watch Inc. (Delaware)

Target Outreach Inc. (Nevada)

Engage Funding Inc. (Delaware)

# **INDEX**

**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 iMARKETING SOLUTIONS GROUP  
INC.** and those Companies referred to on Schedule "A"

Applicants

**INDEX**

<b>Tab</b>	<b>Document</b>
1	Notice of Motion returnable August 2, 2013
2	Affidavit of Andrew Langhorne sworn July 29, 2013
A	Initial Order dated April 12, 2013
B	Interim U.S. Recognition Order dated April 12, 2013
C	Final U.S. Recognition Order dated May 17, 2013
D	Original Cash Flow Projection from the date of the Initial Order until August 2, 2013
E	SIP Approval Order dated May 7, 2013
3	Draft Order

**Schedule "A"**

**List of Applicants**

iMarketing Solutions Group Inc.

The Responsive Marketing Group Inc.

GWE Consulting Group (USA) Inc.

Direct Contact Strategies Inc.

Front Line Support Inc.

iMark Events Inc.

RMG General Partner Inc.

Cabot Call Centre Inc.

Engage Interactive Inc.

RMG Smiths Falls LP

RMG Thunder Bay LP

MLHL Marketing Inc.

MLHL Marketing LP

Xentel Inc. (Delaware)

Wellesley Corporation Inc. (Delaware)

US Billing Inc. (Delaware)

American Graphics & Design Inc. (Wisconsin)

Courtesy Health Watch Inc. (Delaware)

Target Outreach Inc. (Nevada)

Engage Funding Inc. (Delaware)

# **TAB 1**

**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 **iMARKETING SOLUTIONS GROUP  
INC.** and the Companies referred to in Schedule "A"

Applicants

**NOTICE OF MOTION  
(Stay Extension)**

iMarketing Solutions Group Inc. ("**IMSG**") and the Companies referred to in Schedule "A" (together, the "**Applicants**") will make a motion before a Judge of the Ontario Superior Court of Justice (Commercial List) on Friday, August 2, 2013 at 10:00 o'clock in the morning, or as soon after that time as the motion can be heard, at 330 University Avenue, in the City of Toronto.

**PROPOSED METHOD OF HEARING:** The motion is to be heard orally.

**THE MOTION IS FOR:**

1. an Order abridging the time of service of the Notice of Motion and the Motion Record herein and dispensing with further service thereof;
2. an Order extending the Stay Period, as defined in the Order of the Honourable Mr. Justice Newbould dated April 12, 2013 (the "**Initial Order**"), to October 4, 2013;

3. an Order approving the Third Report of Duff & Phelps Canada Restructuring Inc. (“**Duff & Phelps**”), in its capacity as the Court-appointed monitor of the Applicants (the “**Monitor**”), to be filed, and the actions and activities of the Monitor described therein; and

4. such further and other relief as counsel may request and this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

1. on April 12, 2013, the Applicants sought and were granted protection under the CCAA, pursuant to the Initial Order;

2. pursuant to the Initial Order, Duff & Phelps was appointed as the Monitor;

3. the Applicants sought and were granted recognition of the within CCAA proceedings by the U.S. Bankruptcy Court for the District of Delaware pursuant to the Orders of the Honourable Mr. Justice Gross dated April 12, 2013 and May 17, 2013;

4. the Applicants form a North American integrated marketing services business that provides direct marketing solutions for not-for-profit organizations, political organizations and professional associations;

5. pursuant to the Order of the Honourable Mr. Justice Newbould dated May 7, 2013, the Stay Period was extended until August 2, 2013 and a sale and investment process (the “**SIP**”) in respect of the Applicants’ business and assets was approved by the Court (the “**SIP Approval Order**”);



6. pursuant to the SIP Approval Order, the Court-appointed CRO (as defined in the Initial Order), in conjunction with the Monitor, has marketed the Applicants' business and assets in accordance with the SIP terms;
7. further in that regard, interested parties that have executed confidentiality agreements have been granted access to a virtual data room populated with information relating to the Applicants' business;
8. pursuant to the summary timeline of important dates in the SIP, the original deadline for the submission of offers was July 5, 2013;
9. in accordance with the SIP, the CRO, with the approval of the Monitor, shall have the right to extend by up to three (3) weeks any deadline in the SIP;
10. the offer deadline was originally extended to July 12, 2013 and subsequently extended to July 26, 2013;
11. the Applicants' updated consolidated cash flow forecast projects that the Applicants have sufficient funding to continue operating until at least October 4, 2013;
12. based on the information available, the Applicants' creditors will not be materially prejudiced by the relief being sought by the Applicants;
13. the Applicants have acted, and continue to act, in good faith and with due diligence, and circumstances exist that make granting an extension of the Stay Period appropriate;
14. the Monitor supports the relief being sought by the Applicants;

15. Section 11 of the CCAA and the inherent and equitable jurisdiction of this Honourable Court;

16. Rules 1.04, 2.03, 3.02, 16.08 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and

17. 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 the motion:

1. the Affidavit of Andrew Langhorne sworn July 29, 2013, and the exhibits attached thereto;

2. the Third Report of the Monitor, to be filed; and

3. such further and other material as counsel may advise and this Honourable Court may permit.

July 29, 2013

**Thornton Grout Finnigan LLP**  
Barristers and Solicitors  
100 Wellington Street West  
Suite 3200  
Toronto, Ontario M5K 1K7

**Robert I. Thornton** (LSUC# 24266B)  
E-mail: [rthornton@tgf.ca](mailto:rthornton@tgf.ca)  
**Danny M. Nunes** (LSUC# 53802D)  
E-mail: [dnunes@tgf.ca](mailto:dnunes@tgf.ca)

Tel: 416-304-1616  
Fax: 416-304-1313

Lawyers for the Applicants

**TO: THIS HONOURABLE COURT**

**AND TO: THE ATTACHED SERVICE LIST**

**Schedule "A"**

**List of Applicants**

iMarketing Solutions Group Inc.

The Responsive Marketing Group Inc.

GWE Consulting Group (USA) Inc.

Direct Contact Strategies Inc.

Front Line Support Inc.

iMark Events Inc.

RMG General Partner Inc.

Cabot Call Centre Inc.

Engage Interactive Inc.

RMG Smiths Falls LP

RMG Thunder Bay LP

MLHL Marketing Inc.

MLHL Marketing LP

Xentel Inc. (Delaware)

Wellesley Corporation Inc. (Delaware)

US Billing Inc. (Delaware)

American Graphics & Design Inc. (Wisconsin)

Courtesy Health Watch Inc. (Delaware)

Target Outreach Inc. (Nevada)

Engage Funding Inc. (Delaware)

**SERVICE LIST**

**TO: THORNTON GROUT FINNIGAN LLP**  
Suite 3200, 100 Wellington Street West  
P.O. Box 329, Toronto-Dominion Centre  
Toronto, ON M5K 1K7

**Robert I. Thornton**  
Tel: (416) 304-0560  
Fax: (416) 304-1313  
Email: [rthornton@tgf.ca](mailto:rthornton@tgf.ca)

**Danny Nunes**  
Tel: (416) 304-0592  
Fax: (416) 304-1313  
Email: [dnunes@tgf.ca](mailto:dnunes@tgf.ca)

**Sandra Reid**  
Tel: (416) 304-0601  
Fax: (416) 304-1313  
Email: [sreid@tgf.ca](mailto:sreid@tgf.ca)

Lawyers for the Applicants

**AND TO: NORTON ROSE CANADA LLP**  
Suite 3800, Royal Bank Plaza, South Tower  
200 Bay Street, P.O. Box 84  
Toronto ON M5J 2Z4

**Virginie Gauthier**  
Tel: (416) 216-4853  
Fax: (416) 216-3930  
Email: [virginie.gauthier@nortonrose.com](mailto:virginie.gauthier@nortonrose.com)

**Amanda Fortuna**  
Tel: (416) 216-4079  
Fax: (416) 216-3930  
Email: [amanda.fortuna@nortonrose.com](mailto:amanda.fortuna@nortonrose.com)

**Daniel Pearlman**  
Tel: (416) 216-1910  
Fax: (416) 216-3930  
Email: [daniel.pearlman@nortonrose.com](mailto:daniel.pearlman@nortonrose.com)

Lawyers for Shotgun Fund Limited Partnership III

**AND TO: DUFF & PHELPS**  
Bay Adelaide Centre  
333 Bay Street  
14th Floor  
Toronto, Ontario M5H 2R2

**Bobby Kofman**  
Tel: (416) 932-6228  
Email: [bobby.kofman@duffandphelps.com](mailto:bobby.kofman@duffandphelps.com)

**Mitch Vininsky**  
Tel: (416) 932-6013  
Email: [mitch.vininsky@duffandphelps.com](mailto:mitch.vininsky@duffandphelps.com)

Court-appointed Monitor

**AND TO: LAX O'SULLIVAN SCOTT LISUS LLP**  
145 King St. W., Suite 2750  
Toronto, ON M5H 1J8

**Matthew Gottlieb**  
Tel: (416) 644-5353  
Fax: (416) 598-3730  
Email: [mgottlieb@counsel-toronto.com](mailto:mgottlieb@counsel-toronto.com)

Lawyers for the Monitor

**AND TO: KLEHR HARRISON HARVEY BRANZBURG LLP**  
919 N. Market St., Ste. 1000  
Wilmington, Delaware 19801

**Domenic E. Pacitti**  
Tel: (302) 552-5511  
Fax: (302) 426-9193  
Email: [dpacitti@klehr.com](mailto:dpacitti@klehr.com)

U.S. Lawyers for the Applicants

**AND TO: BANK OF NOVA SCOTIA (LEGAL DEPARTMENT)**  
8th Floor, Scotia Plaza  
40 King St. West  
Toronto, ON M5H 1H1

**Lynne Vicars**  
Tel: (416) 866-4253  
Fax: (416) 866-5090  
Email: [lynne.vicars@scotiabank.com](mailto:lynne.vicars@scotiabank.com)

**AND TO: DEPARTMENT OF JUSTICE**

The Exchange Tower  
Suite 3400, 130 King St. W.  
Toronto, ON M5X 1K6

**Diane Winters**

Tel: (416) 973-3172  
Fax: (416) 973-0810  
Email: [diane.winters@justice.gc.ca](mailto:diane.winters@justice.gc.ca)

Lawyers for Canada Revenue Agency

**AND TO: ONTARIO MINISTRY OF FINANCE**

Michael Starr Building  
33 King St. W., 6th Floor  
Oshawa, ON L1H 8H5

**Kevin O'Hara**

Tel: (905) 433-6934  
Fax: (905) 436-4510  
Email: [kevin.ohara@ontario.ca](mailto:kevin.ohara@ontario.ca)

**AND TO: RECEIVER GENERAL**

Place du Portage Phase III, 11A2  
11 Laurier Street  
Gatineau, QC K1A 0S5

Tel: 1 (800) 593-1666  
Email: [RequetesRG.RGEnquire@tpsgc-pwgsc.gc.ca](mailto:RequetesRG.RGEnquire@tpsgc-pwgsc.gc.ca)

**AND TO: ALBERTA MINISTRY OF FINANCE**

The Tax and Revenue Administration  
9811-109 Street  
Edmonton, AB T5K 2L5

**Manfred Grunling**

Tel: (780) 644-4237  
Fax: (780) 427-0348  
Email: [manfred.grunling@gov.ab.ca](mailto:manfred.grunling@gov.ab.ca)

**AND TO: QUEBEC TAX AUTHORITY / REVENU QUÉBEC**

Les Directions Des Affaires Juridiques  
3800, rue de Marley, secteur 5-2-8  
Quebec, QC G1X 4A5

**Jean-Pierre Bergeron (Director)**

Tel: (418) 652-6490  
Fax: (418) 652-8085  
Email: [jean-pierre.bergeron@gov.qc.ca](mailto:jean-pierre.bergeron@gov.qc.ca)

**Daniel Cantin**

Tel.: (418) 652-5245  
Fax: (418) 528-0978  
Email: [danielcantin@revenuquebec.ca](mailto:danielcantin@revenuquebec.ca)

**AND TO: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF  
BRITISH COLUMBIA, AS REPRESENTED BY THE MINISTER OF  
FINANCE, REVENUE DIVISION**

Legal Services Branch  
PO Box 9289, Stn Prov Govt  
1675 Douglas Street, Suite 400  
Victoria, BC V8W 9J7

**Aaron Welch**

Fax: (250) 356-0065  
Email: [aaron.welch@gov.bc.ca](mailto:aaron.welch@gov.bc.ca)

**AND TO: GOWLING LAFLEUR HENDERSON LLP**

1 First Canadian Place  
100 King St. W., Suite 1600  
Toronto, ON M5X 1G5

**Lilly Wong**

Tel: (416) 369-4630  
Fax: (416) 369-7250  
Email: [lilly.wong@gowlings.com](mailto:lilly.wong@gowlings.com)

**Clifton Prophet**

Tel: (416) 862-3509  
Fax: (416) 863-3509  
Email: [clifton.prophet@gowlings.com](mailto:clifton.prophet@gowlings.com)

Lawyers for Canadian Imperial Bank of Commerce



**AND TO: DENTONS LLP**  
77 King Street West  
Suite 400  
Toronto, ON M5K 0A1

**Jane Dietrich**  
Tel: (416) 863-4467  
Email: [jane.dietrich@dentons.com](mailto:jane.dietrich@dentons.com)

**Kate Stigler**  
Tel: (416) 862-3482  
Fax: (416) 863-4592  
Email: [kate.stigler@dentons.com](mailto:kate.stigler@dentons.com)

Lawyers for American Express

**AND TO: DENTONS LLP**  
77 King Street West  
Suite 400  
Toronto, ON M5K 0A1

**Kate Stigler**  
Tel: (416) 862-3482  
Fax: (416) 863-4592  
Email: [kate.stigler@dentons.com](mailto:kate.stigler@dentons.com)

Lawyers for Broadband Dynamics, LLC

**AND TO: OSLER, HOSKIN & HARCOURT LLP**  
1 First Canadian Place, Box 50  
100 King St. W., Suite 6100  
Toronto, ON M5X 1B8

**Tracy Sandler**  
Tel: (416) 862-5890  
Fax: (416) 362-2111  
Email: [tsandler@osler.com](mailto:tsandler@osler.com)

Lawyers for Portage Place

**AND TO:** CANADIAN IMPERIAL BANK OF COMMERCE  
25 King Street West, CCN, 16<sup>th</sup> Floor  
Toronto, ON M5L 1A2

**Mark Conzelman**  
Fax: (416) 214-8749  
Email: [mark.conzelman@cibc.ca](mailto:mark.conzelman@cibc.ca)

**AND TO:** CANADIAN IMPERIAL BANK OF COMMERCE TR. #2622  
**LAWRENCE AND KEELE**  
1400 Lawrence Avenue West  
Toronto, ON M6L 1A7

**AND TO:** PITNEY BOWES GLOBAL FINANCIAL SERVICES  
5500 Explorer Drive  
Mississauga, ON L4W 5C7

**AND TO:** DE LAGE LANDEN FINANCIAL SERVICES CANADA  
3450 Superior Court, Unit 1  
Oakville ON L6L 0C4

**AND TO:** ROYNAT INC.  
4710 Kingsway  
Suite 1500  
Metrotower 1  
Burnaby BC V5H 4M2

Tel: 1-888-735-2201

**AND TO:** XEROX CANADA LTD.  
33 Bloor St. E, 3<sup>rd</sup> Floor  
Toronto, ON M4W 3H1

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 iMARKETING SOLUTIONS GROUP INC. and the  
Companies referred to in Schedule "A"

Court File No.: CV-13-100067-00CL

*ONTARIO*  
**SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**NOTICE OF MOTION  
(Stay Extension)**

**Thornton Grout Finnigan LLP**  
Barristers and Solicitors  
100 Wellington Street West  
Suite 3200  
Toronto, Ontario M5K 1K7

**Robert I. Thornton** (LSUC# 24266B)

E-mail: [rthornton@tgf.ca](mailto:rthornton@tgf.ca)

**Danny M. Nunes** (LSUC# 53802D)

E-mail: [dnunes@tgf.ca](mailto:dnunes@tgf.ca)

Tel: 416-304-1616

Fax: 416-304-1313

Lawyers for the Applicants

## **TAB 2**

**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 **iMARKETING SOLUTIONS GROUP  
INC.** and those Companies referred to on Schedule "A"

Applicants

**AFFIDAVIT OF ANDREW LANGHORNE  
(Sworn July 29, 2013)**

**Thornton Grout Finnigan LLP**  
Barristers & Solicitors  
100 Wellington Street West  
Suite 3200  
Toronto ON M5K 1K7

**Robert I. Thornton** (LSUC# 24266B)  
E-mail: [rthornton@tgf.ca](mailto:rthornton@tgf.ca)  
**Danny M. Nunes** (LSUC# 53802D)  
E-mail: [dnunes@tgf.ca](mailto:dnunes@tgf.ca)

Tel: 416-304-1616  
Fax: 416-304-1313

Lawyers for the Applicants

**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 **iMARKETING SOLUTIONS GROUP  
INC.** and those Companies referred to on Schedule "A"

Applicants

**AFFIDAVIT OF ANDREW LANGHORNE  
(Sworn July 29, 2013)**

**I, ANDREW LANGHORNE**, of the City of Toronto, in the Province of Ontario, **MAKE  
OATH AND SAY AS FOLLOWS:**

1. I am the Chief Executive Officer of iMarketing Solutions Group Inc. ("**IMSG**"), the direct or indirect parent company of the nineteen (19) subsidiary companies referred to in Schedule "A" attached hereto (together with IMSG, the "**IMSG Group**" or the "**Applicants**"), and as such I have personal knowledge of the matters to which I herein depose. Where the source of my information or belief is other than my own personal knowledge, I have identified the source and the basis for my information and believe it to be true.

**RELIEF SOUGHT**

2. This Affidavit is sworn in support of a motion by the Applicants for an order, among other things:

- (a) extending the Stay Period, as defined in the Order of the Honourable Mr. Justice Newbould granted on April 12, 2013 (the “**Initial Order**”) in these proceedings, to October 4, 2013;
- (b) approving the Third Report of Duff & Phelps Canada Restructuring Inc. (“**Duff & Phelps**”) (the “**Third Report**”), in its capacity as the Court-appointed monitor (the “**Monitor**”), to be filed, and the actions and activities of the Monitor described therein; and
- (c) such further and other relief as counsel may request and this Honourable Court may deem just.

3. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Initial Order. A copy of the Initial Order is attached hereto as Exhibit “A”.

## **BACKGROUND**

4. On April 12, 2013, the Applicants sought and were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”).

5. Pursuant to the Initial Order, Duff & Phelps was appointed as Monitor.

6. Pursuant to the Initial Order, Illumina Partners Inc. was appointed as the Applicants’ chief restructuring officer (the “**CRO**”).

7. The Applicants sought and were granted recognition of these CCAA proceedings by the U.S. Bankruptcy Court for the District of Delaware pursuant to the Orders of the Honourable Mr. Justice Gross dated April 12, 2013 (the “**Interim U.S. Recognition Order**”) and May 17, 2013

(the “**Final U.S. Recognition Order**”). Copies of the Interim U.S. Recognition Order and Final U.S. Recognition Order are attached hereto as Exhibits “**B**” and “**C**”.

8. The Applicants form a North American integrated marketing services business that provides direct marketing solutions for not-for-profit organizations, political organizations and professional associations.

9. The Applicants are one of North America’s largest participants in the telemarketing and fundraising industry, employing approximately 1,143 employees as at the date of the Initial Order, including 662 active employees and 481 on layoff.

#### **DEVELOPMENTS SINCE MAY 7, 2013**

##### *Current State of the Business*

10. The Applicants’ business is stable and has operated without any major disruptions since the date of the Initial Order.

11. The Applicants prepared a sixteen (16) week cash flow projection in support of their application for the Initial Order (the “**Original Cash Flow Projection**”). The Original Cash Flow Projection covered the period from the date of the Initial Order until August 2, 2013. Attached hereto as Exhibit “**D**” is a copy of the Original Cash Flow Projection which was included as an exhibit to my Affidavit sworn April 11, 2013 in support of the application for the Initial Order.

12. The Applicants continue to retain customers, renew existing clients in normal course and have attracted new clients. During the period covered by the Original Cash Flow Projection, the Applicants completed approximately 180,000 billable calling hours, representing an increase of



approximately 9,000 billable calling hours over the projected number contemplated in the Original Cash Flow Projection. I am of the opinion that the higher number of calling hours throughout this period showed continuing customer support for the Applicants, notwithstanding the CCAA proceedings.

13. The Applicants have been cash flow positive during the course of the CCAA proceedings, generating net cash flow from operations of approximately \$1.6 million during the period covered by the Original Cash Flow Projection.

14. The Applicants are preparing an estimated cash flow projection for the proposed extended Stay Period from August 2, 2013 to October 4, 2013 on a consolidated basis (the “**Updated Cash Flow Projection**”). A copy of the Updated Cash Flow Projection will be appended to the Third Report.

#### ***Sale and Investment Process***

15. Pursuant to the Order of the Honourable Mr. Justice Newbould dated May 7, 2013 (the “**SIP Approval Order**”), the Stay Period was extended to August 2, 2013 and a process to solicit the market for investors and purchasers (the “**SIP**”) was approved by the Court. Attached hereto as Exhibit “**E**” is a copy of the SIP Approval Order.

16. Pursuant to the SIP, the CRO, in conjunction with the Monitor, marketed the Applicants’ business to strategic partners and investors who might be interested in either making an equity investment in or purchasing the Applicants’ business. The list of parties to whom this opportunity was presented included numerous strategic partners and investors in the telemarketing and

fundraising industry that were originally considered as potential investors and/or purchasers by the Applicants prior to the commencement of the CCAA proceedings.

17. Pursuant to the SIP, the deadline for the submission of offers was July 5, 2013 and the closing date for any transaction(s) was August 6, 2013. The terms of the SIP provide that the CRO, with the Monitor's approval, shall have the right to extend by up to three weeks any deadline in the SIP in order to facilitate the SIP. Further in that regard, the CRO, with the Monitor's approval, extended the offer deadline to July 26, 2013.

18. Further details on the results of the SIP will be set out in an affidavit to be filed by the Applicants at a later attendance before the Court as described below.

#### **PROPOSED EXTENSION OF THE STAY PERIOD**

19. Pursuant to the SIP Approval Order, the Stay Period was extended until August 2, 2013.

20. The Updated Cash Flow Projection projects that the Applicants have sufficient funding, assuming the Maturity Date of the DIP Loan, as such term is defined in the DIP Term Sheet, is extended, to continue operating until October 4, 2013. The Applicants are presently discussing the terms of an extension of the Maturity Date with the DIP Lender. The Monitor will be report on the outcome of those discussions in the Third Report.

21. Aside from the initial advance under the DIP Loan, which was made on April 12, 2013, there have been no subsequent advances under the DIP Loan. Furthermore, although it is expected that the Applicants will need to use the funds from that initial advance during the proposed extended Stay Period, the Applicants have not needed to use the funds during the course of the

CCAA proceedings up to the date of this Affidavit as a result of the positive net cash flow that has been generated from the Applicants' business operations.

22. The Monitor has indicated that it supports an extension of the Stay Period until October 4, 2013. Given the revised offer deadline of July 26, 2013 under the SIP, it is anticipated that the Applicants will attend before the Court before the proposed expiry date of the Stay Period to update the Court on the results of the SIP and the Applicants' proposed next steps.

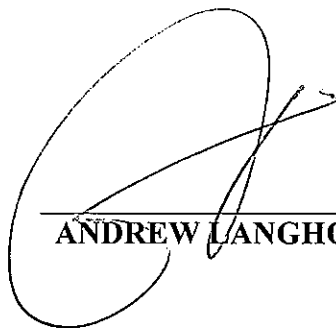
23. I do not believe that any creditor of the Applicants will suffer any material prejudice if the Stay Period is extended until October 4, 2013.

24. The Applicants have acted, and continue to act, in good faith and with due diligence.

25. I swear this Affidavit in support of the Applicants' request that an Order be granted under the CCAA substantially in the form included at Tab 3 of the Motion Record, and for no other or improper purpose.

SWORN before me at the City of Toronto,  
in the Province of Ontario, this 29<sup>th</sup> day of  
July, 2013.

  
\_\_\_\_\_  
Commissioner for Taking Affidavits

  
\_\_\_\_\_  
ANDREW LANGHORNE

**Schedule "A"**

**List of Applicants**

iMarketing Solutions Group Inc.

The Responsive Marketing Group Inc.

GWE Consulting Group (USA) Inc.

Direct Contact Strategies Inc.

Front Line Support Inc.

iMark Events Inc.

RMG General Partner Inc.

Cabot Call Centre Inc.

Engage Interactive Inc.

RMG Smiths Falls LP

RMG Thunder Bay LP

MLHL Marketing Inc.

MLHL Marketing LP

Xentel Inc. (Delaware)

Wellesley Corporation Inc. (Delaware)

US Billing Inc. (Delaware)

American Graphics & Design Inc. (Wisconsin)

Courtesy Health Watch Inc. (Delaware)

Target Outreach Inc. (Nevada)

Engage Funding Inc. (Delaware)

# **EXHIBIT “A”**



#### **SERVICE**

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

#### **APPLICATION**

2. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies. Although not Applicants, the limited partnerships listed in Schedule "B" to this Order (the "LPs") shall enjoy the benefits of and the protections provided to the Applicants by this Order. (The Applicants and the LPs are hereinafter referred to collectively as "IMSG Parties").

#### **PLAN OF ARRANGEMENT**

3. **THIS COURT ORDERS** that the IMSG Parties shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").

#### **POSSESSION OF PROPERTY AND OPERATIONS**

4. **THIS COURT ORDERS** that the IMSG Parties shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"). Subject to further Order of this Court, the IMSG Parties shall continue to carry on business in a manner consistent with the preservation of their business (the "Business") and Property. The IMSG Parties shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively

“Assistants”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the IMSG Parties shall be entitled to continue to utilize the central cash management system currently in place as described in the Langhorne Affidavit (the “Cash Management System”) and that any bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the IMSG Parties of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the IMSG Parties, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that the IMSG Parties shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and



- (b) the fees and disbursements of any Assistants retained or employed by the IMSG Parties in respect of these proceedings, at their standard rates and charges.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the IMSG Parties shall be entitled but not required to pay all reasonable expenses incurred by the IMSG Parties in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the IMSG Parties following the date of this Order.

8. **THIS COURT ORDERS** that the IMSG Parties shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or payable in any other jurisdiction or any other taxation authority which are required to be deducted from employees' wages on or after the date hereof, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the IMSG Parties in connection with the sale of goods and services by the IMSG Parties, but only where such Sales Taxes are accrued or

collected after the date of this Order or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

- (c) any amount payable to the Crown in right of Canada or payable in any other jurisdiction or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the IMMSG Parties.

9. **THIS COURT ORDERS** that until a real property lease (where the leased premises are occupied by the IMMSG Parties or any of them as of the date hereof) is disclaimed or resiliated in accordance with the CCAA, the IMMSG Parties shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the IMMSG Parties and the landlords from time to time ("Rent"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the IMMSG Parties are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the IMMSG Parties to any of their

creditors as of this date, except as contemplated in the DIP Credit Documentation, as herein defined; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property, except as permitted hereunder; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business or as permitted hereunder.

#### **CRITICAL SUPPLIER PAYMENTS**

11. **THIS COURT ORDERS** that the IMMSG Parties shall be permitted to make such payments to customers to which the IMMSG Parties are indebted and to those suppliers of goods and services as the IMMSG Parties, always in consultation with the Monitor and only as permitted under the DIP Credit Documentation (as hereinafter defined), determine to be necessary to permit the IMMSG Parties to proceed with the Restructuring (as defined below).

#### **RESTRUCTURING**

12. **THIS COURT ORDERS** that the IMMSG Parties shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the DIP Credit Documentation, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of their business or operations and to dispose of redundant or non-material assets not exceeding \$50,000 in any one transaction or \$100,000 in the aggregate;
- (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate; and

- (c) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the IMMSG Parties to proceed with an orderly restructuring of the Business (the "Restructuring").

13. **THIS COURT ORDERS** that the IMMSG Parties shall provide each of the relevant landlords with notice of the IMMSG Parties' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the IMMSG Parties' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the IMMSG Parties, or by further Order of this Court upon application by the IMMSG Parties on at least two (2) days notice to such landlord and any such secured creditors. If the IMMSG Parties disclaim or resiliate the lease governing such leased premises in accordance with Section 32 of the CCAA, they shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to the IMMSG Parties' claim to the fixtures in dispute.

14. **THIS COURT ORDERS** that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to

prospective tenants during normal business hours, on giving the IMMSG Parties and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the IMMSG Parties in respect of such lease or leased premises and such landlord shall be entitled to notify the IMMSG Parties of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE IMMSG PARTIES OR THE PROPERTY**

15. **THIS COURT ORDERS** that until and including May 11, 2013, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the IMMSG Parties, the CRO, as herein defined, or the Monitor, or affecting the Business or the Property, except with the written consent of the IMMSG Parties and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the IMMSG Parties or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

16. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the

IMSG Parties or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the IMSG Parties and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the IMSG Parties to carry on any business which the IMSG Parties are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH RIGHTS**

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the IMSG Parties, except with the written consent of the IMSG Parties and the Monitor, or leave of this Court.

#### **CONTINUATION OF SERVICES**

18. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the IMSG Parties or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the IMSG Parties, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the IMSG Parties, and that the IMSG Parties shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for

all such goods or services received after the date of this Order are paid by the IMMSG Parties in accordance with normal payment practices of the IMMSG Parties or such other practices as may be agreed upon by the supplier or service provider and each of the IMMSG Parties and the Monitor, or as may be ordered by this Court.

#### **NON-DEROGATION OF RIGHTS**

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the IMMSG Parties. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

20. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the IMMSG Parties with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the IMMSG Parties whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the IMMSG Parties, if one is filed, is sanctioned by this Court or is refused by the creditors of the IMMSG Parties or this Court.

**CHIEF RESTRUCTURING OFFICER**

21. **THIS COURT ORDERS** that the appointment of Illumina Partners Inc. using the services of Upkar Arora thereof, as chief restructuring officer of the IMSG Parties (the "CRO") and as an officer of this Court is hereby confirmed and approved and the CRO is hereby authorized and empowered to operate and manage the affairs of the IMSG Parties during the pendency of these CCAA proceedings.

22. **THIS COURT ORDERS** that the IMSG Parties shall pay the CRO his fees and disbursements, including the fees and disbursements of the CRO's counsel, if any, in accordance with the CRO's retention agreement with the IMSG Parties dated April 11, 2013, annexed as **Exhibit "Z"** to the Langhorne Affidavit save and except that any payment of a success fee thereunder shall be subject to further Order of this Court.

23. **THIS COURT ORDERS** that the CRO shall incur no liability or obligation as a result of his appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on his part.

**DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

24. **THIS COURT ORDERS** that the IMSG Parties shall indemnify their directors and officers, including the CRO, against obligations and liabilities that they may incur as directors or officers of the IMSG Parties after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.



25. **THIS COURT ORDERS** that the directors and officers of the IMSG Parties, including the CRO, shall be entitled to the benefit of and are hereby granted a charge (the “**Directors’ Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$1,300,000, as security for the indemnity provided in paragraph 24 of this Order. The Directors’ Charge shall have the priority set out in paragraphs 44 and 46 herein.

26. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors’ Charge, and (b) the IMSG Parties’ directors and officers shall only be entitled to the benefit of the Directors’ Charge to the extent that they do not have coverage under any directors’ and officers’ insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 24 of this Order.

#### **APPOINTMENT OF MONITOR**

27. **THIS COURT ORDERS** that Duff & Phelps Canada Restructuring Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the IMSG Parties with the powers and obligations set out in the CCAA or set forth herein and that the IMSG Parties and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the IMSG Parties pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

28. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby authorized and empowered to:

- (a) monitor the IMMSG Parties' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the IMMSG Parties, to the extent required by the IMMSG Parties, in their dissemination, to the DIP Lender (as herein defined) and its counsel of financial and other information as agreed to between the IMMSG Parties and the DIP Lender which may be used in these proceedings including reporting on the basis agreed with the DIP Lender in the DIP Credit Documentation;
- (d) advise the IMMSG Parties in their preparation of the IMMSG Parties' cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, as agreed to by the DIP Lender in the DIP Credit Documentation;
- (e) advise the IMMSG Parties in their development of the Plan and any amendments to the Plan;
- (f) assist the IMMSG Parties, to the extent required by the IMMSG Parties, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the IMMSG Parties, to the extent that is necessary to adequately assess the IMMSG

Parties' business and financial affairs or to perform its duties arising under this Order;

- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (i) perform such other duties as are required by this Order or by this Court from time to time.

29. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

30. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable

Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

31. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the IMMSG Parties and the DIP Lender with information provided by the IMMSG Parties in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the IMMSG Parties is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the IMMSG Parties may agree.

32. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

33. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor (including U.S. counsel), the CRO and counsel (including U.S. counsel) to the IMMSG Parties shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the IMMSG Parties as part of the costs of these proceedings subject to the passing of their accounts. The IMMSG Parties are hereby authorized and directed to pay the accounts of the Monitor, counsel for

the Monitor, the CRO and counsel for the IMMSG Parties at regular intervals at such time as each of them may agree with the IMMSG Parties and, in addition, the IMMSG Parties are hereby authorized to pay to the Monitor, counsel to the Monitor, the CRO and counsel to the IMMSG Parties, retainers in such amount as may be agreed with each of them to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

34. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

35. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, if any, the CRO and counsel to the IMMSG Parties shall be entitled to the benefit of and are hereby granted a charge (the “Administration Charge”) on the Property, which charge shall not exceed an aggregate amount of \$300,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 44 and 46 hereof.

#### **INTER-COMPANY CHARGE**

36. **THIS COURT ORDERS** that, subject to the terms of the DIP Term Sheet (as defined herein) and the DIP Credit Documentation:

- (a) iMarketing Solutions Group Inc. (“IMMSG”) is authorized to make loans, advances or transfers of funds to any of the other Applicants or LPs (each an “IMSG Subsidiary” and collectively, the “IMMSG Subsidiaries”) from time to time in

accordance with the Cash Management System and the DIP Credit Documentation;

- (b) the IMMSG Subsidiaries are hereby authorized to repay funds previously advanced to the IMMSG Subsidiaries by IMMSG from time to time in accordance with the Cash Management System and the DIP Credit Documentation; and
- (c) for greater certainty, the IMMSG Parties shall not be entitled to transfer funds to any direct or indirect subsidiary, affiliate or associate of IMMSG or an IMMSG Subsidiary that is not a Credit Party under the DIP Term Sheet (as defined therein) without prior consent of the DIP Lender, or Order of this Court.

37. **THIS COURT ORDERS** that IMMSG shall be entitled to the benefits of, and is hereby granted, a charge (the “**Inter-Company Charge**”) on the Property of the IMMSG Subsidiaries in an amount equal to but not exceeding the aggregate amounts outstanding at any given time based on advances made by IMMSG Subsidiaries pursuant to the authorization granted under subparagraph 36 herein from and after the date of this Order. The Inter-Company Charge shall have the priority set out in paragraphs 44 and 46 hereof.

#### **DIP FINANCING**

38. **THIS COURT ORDERS** that IMMSG is hereby authorized and empowered to obtain and borrow under a credit facility (the “**DIP Loan**”) from Shotgun Fund Limited Partnership III (the “**DIP Lender**”) for the purposes set out in the DIP Term Sheet, provided that borrowings under such credit facility shall not exceed a total of CAD \$1,000,000 unless agreed to by the DIP Lender and permitted by further Order of this Court.

39. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the term sheet amongst IMSG, as borrower, the IMSG Subsidiaries, as guarantors, and the DIP Lender dated as of April 11, 2013 (the “**DIP Term Sheet**”), filed.

40. **THIS COURT ORDERS** that the IMSG Parties are hereby authorized and empowered to execute and deliver the DIP Term Sheet and such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**DIP Credit Documentation**”), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the IMSG Parties are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the DIP Credit Documentation for the benefit of the DIP Lender as and when the same become due and are to be performed, notwithstanding any other provision of this Order. For greater certainty, the IMSG Subsidiaries are hereby authorized and directed to execute and deliver the Confirmations (as defined in the DIP Term Sheet), and the New Guarantees (as defined in the DIP Term Sheet), as applicable.

41. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property, to secure the repayment and the payment of all amounts owing by the IMSG Parties to the DIP Lender, including all principal, interest, fees, liabilities and obligations under the DIP Credit Documentation, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender’s Charge shall have the priority set out in paragraphs 44 and 46 hereof. For greater certainty, the DIP Lender’s Charge shall apply to the Inter-Company Charge.

42. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:
- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the DIP Credit Documentation;
  - (b) upon the occurrence of an event of default under the DIP Term Sheet, the DIP Credit Documentation or the DIP Lender's Charge, the DIP Lender, upon two (2) days notice to IMSG and the Monitor, and subject to the prior approval of this Court, may exercise any and all of its rights and remedies against the IMSG Parties, the Guarantors, or the Property under or pursuant to the DIP Term Sheet, the DIP Credit Documentation and the DIP Lender's Charge; and
  - (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the IMSG Parties or the Property.
43. **THIS COURT ORDERS AND DECLARES** that the claims of the DIP Lender in relation to the DIP Loan are not claims that may be compromised pursuant to the Plan, and shall be treated as unaffected in any Plan, any proposal under the *Bankruptcy and Insolvency Act* (Canada) (the "BIA") or any other restructuring and no such Plan, proposal or restructuring shall be approved that does not provide for the payment of all amounts due to the DIP Lender pursuant to the terms of the DIP Term Sheet and the DIP Credit Documentation.



**VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

44. **THIS COURT ORDERS** that the priorities of the Directors' Charge, the Administration Charge, the DIP Lender's Charge and the Inter-Company Charge, as among them, shall be as follows for all IMSG Parties except The Responsive Marketing Group Inc. ("RMG"):

First – Administration Charge (to the maximum amount of \$300,000);

Second – DIP Lender's Charge (to the maximum amount of \$1,400,000);

Third – Inter-Company Charge; and

Fourth – Directors' Charge (to the maximum amount of \$1,300,000);

and, solely in respect of the Applicant, RMG, the priorities of the Directors' Charge, the Administration Charge, the DIP Lender's Charge and the Inter-Company Charge, as among them, shall be as follows:

First – The security interest of Canadian Imperial Bank of Commerce ("CIBC") to the extent such charge is properly perfected against the assets of RMG;

Second – Administration Charge (to the maximum amount of \$300,000);

Third – DIP Lender's Charge (to the maximum amount of \$1,400,000);

Fourth – Inter-Company Charge; and

Fifth – Directors' Charge (to the maximum amount of \$1,300,000).

45. **THIS COURT ORDERS** that the filing, registration or perfection of the Directors' Charge, the Administration Charge, the DIP Lender's Charge or the Inter-Company 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.

46. **THIS COURT ORDERS** that each of the Directors' Charge, the Administration Charge, the Inter-Company Charge and the DIP Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person, except solely in relation to the assets of RMG, the security interest of CIBC and any Encumbrances that have priority over the security interest of CIBC.

47. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the IMMSG Parties shall not grant any Encumbrances over any Property that rank in priority to, or pari passu with, any of the Directors' Charge, the Administration Charge or the DIP Lender's Charge, unless the IMMSG Parties also obtain the prior written consent of the Monitor, the DIP Lender and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

48. **THIS COURT ORDERS** that the Directors' Charge, the Administration Charge, the DIP Term Sheet, the DIP Credit Documentation and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained

in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “Agreement”) which binds the IMMSG Parties, 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 DIP Term Sheet or the DIP Credit Documentation shall create or be deemed to constitute a breach by the IMMSG Parties of any Agreement to which they are parties;
- (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 IMMSG Parties entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the DIP Credit Documentation; and
- (c) the payments made by the IMMSG Parties pursuant to this Order, the DIP Term Sheet or the DIP Credit Documentation, 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.

49. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the IMMSG Parties’ interest in such real property leases.

#### **SERVICE AND NOTICE**

50. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in the Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii)

within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the IMMSG Parties of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

51. **THIS COURT ORDERS** that the IMMSG Parties and the Monitor be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the IMMSG Parties' creditors or other interested parties at their respective addresses as last shown on the records of the IMMSG Parties and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

52. **THIS COURT ORDERS** that the IMMSG Parties, the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor may post a copy of any or all such materials on its website at <http://www.duffandphelps.com/services/restructuring/Pages/RestructuringCases.aspx>.

**GENERAL**

53. **THIS COURT ORDERS** that the IMMSG Parties or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

54. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the IMMSG Parties, the Business or the Property.

55. **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 IMMSG Parties, 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 IMMSG Parties 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 or iMarketing Solutions Group Inc. in any foreign proceeding, or to assist the IMMSG Parties and the Monitor and their respective agents in carrying out the terms of this Order.

56. **THIS COURT ORDERS** that each of the IMMSG Parties 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 iMarketing Solutions Group Inc. 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.

57. **THIS COURT ORDERS** that any interested party (including the IMMSG Parties and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

58. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

27/04/2013

ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO.



APR 12 2013

Schedule "A"

List of Applicants

iMarketing Solutions Group Inc.

The Responsive Marketing Group Inc.

GWE Consulting Group (USA) Inc.

Direct Contact Strategies Inc.

Front Line Support Inc.

iMark Events Inc.

RMG General Partner Inc.

Cabot Call Centre Inc.

Engage Interactive Inc.

RMG Smiths Falls LP.

RMG Thunder Bay LP

Xentel Inc. (Delaware)

Wellesley Corporation Inc. (Delaware)

US Billing Inc. (Delaware)

American Graphics & Design Inc. (Wisconsin)

Courtesy Health Watch Inc. (Delaware)

Target Outreach Inc. (Nevada)

Engage Funding Inc. (Delaware)

**Schedule "B"**

**List of Limited Partnerships**

RMG Smiths Falls LP

RMG Thunder Bay LP



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 IMARKETING GROUP SOLUTIONS  
INC. and those Companies referred to on Schedule "A"

*Ca 13-10067 OCL*

Court File No.:

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced at Toronto

ORDER

Thornton Grout Finnigan LLP  
Barristers and Solicitors  
100 Wellington Street West  
Suite 3200  
Toronto, Ontario M5K 1K7

Robert I. Thornton (LSUC# 24266B)  
Danny M. Nunes (LSUC# 53802D)  
Sandra Reid (LSUC# 62351A)

Tel: 416-304-1616  
Fax: 416-304-1313

Lawyers for the Applicants

## **EXHIBIT “B”**

**EXHIBIT** "B"

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	
	)	Chapter 15
XENTEL INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 13-10888 (KG)
	)	
Debtors in a Foreign Proceeding.	)	Joint Administration Pending
	)	
	)	Related to Docket No. 7

**ORDER GRANTING PROVISIONAL RELIEF**

Upon the motion (the "Motion")<sup>2</sup> of iMarketing Solutions Group Inc., in its capacity as the authorized foreign representative for the above captioned debtors (collectively, the "Debtors") in a proceeding commenced under Canada's *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and pending before the Ontario Superior Court of Justice, pursuant to sections 362, 364, 365, 1517, 1519, 1520, 1521, and 105(a) of title 11 of the United States Code, as amended from time to time (the "Bankruptcy Code") for entry of (a) a provisional order (this "Order"): (i) recognizing and enforcing in the United States, on an interim basis, the Initial Order (the "Initial CCAA Order") issued on April 12, 2013 by the Canadian Court, including, without limitation, the Canadian Court's decision (A) to authorize the Debtors to enter into and perform under that certain DIP Loan, and (B) to grant the DIP Charge to the DIP Lender under the DIP Loan, (ii) granting, on an interim basis, to and for the benefit of the DIP

<sup>1</sup> The Debtors in these chapter 15 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, are: Xentel Inc. (6267); Wellesley Corporation Inc. (4092); GWE Consulting Group (USA) Inc. (2629); US Billing Inc. (7752); American Graphics & Design Inc. (7772); Courtesy Health Watch Inc. (1403); and Target Outreach Inc. (9046). The Debtors' main corporate address is 481 University Ave., Toronto, Canada M5G 2E9.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Motion.

Lender certain protections afforded by the Bankruptcy Code, including those protections provided by sections 364(c), 364(d), and 364(e) of the Bankruptcy Code, as applicable, (iii) granting an interim stay of execution against the Debtors' assets and applying sections 362 and 365(e) of the Bankruptcy Code in these chapter 15 cases on an interim basis pursuant to sections 1519(a)(3), 1521(a)(7), and 105(a), of the Bankruptcy Code, and (iv) granting such other and further relief as this Court deems just and proper; and (b) entry of a final order after notice and a hearing (the "Final Order") (i) granting the petitions in these cases and recognizing the CCAA Proceeding as a foreign main proceeding pursuant to section 1517 of the Bankruptcy Code, (ii) giving full force and effect in the United States to the Initial CCAA Order, including any extensions or amendments thereof authorized by the Canadian Court and extending the protections of this Order to the Debtors on a final basis, (iii) granting the DIP Lender certain protections afforded by the Bankruptcy Code, and (iv) granting such other and further relief as this Court deems just and proper; and it appearing that this Court has jurisdiction to consider the Motion pursuant to sections 157 and 1334 of title 28 of the United States Code, and the Amended Standing Order of Reference from the United States District Court for the District of Delaware dated as of February 29, 2012; and this Court having reviewed the Motion, the Petitions for Recognition, the Langhorne Declaration, and the Memorandum of Law, and having considered the statements of counsel with respect to the Motion at a hearing before this Court (the "Hearing"); and due and sufficient notice of the provisional relief sought in the Motion having been given; and it appearing that no other or further notice need be provided; and it appearing that the provisional relief requested by the

Motion is in the best interest of the Debtors, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor;

**THIS COURT HEREBY FINDS AND DETERMINES THAT:**

A. The findings and conclusions set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Rule 7052 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, as well as the Amended Standing Order of Reference from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P). Venue for this proceeding is proper before this Court pursuant to 28 U.S.C. § 1410.

C. The Foreign Representative has demonstrated a substantial likelihood of success on the merits that (a) the Debtors are subject to a pending "foreign main proceeding" as that term is defined in section 1502(4) of the Bankruptcy Code, (b) the Foreign Representative is a "foreign representative" as that term is defined in section 101(24) of the Bankruptcy Code, and (c) all statutory elements for recognition of the CCAA Proceeding are satisfied in accordance with section 1517 of the Bankruptcy Code.

D. The Foreign Representative has demonstrated that (a) the commencement of any proceeding or action against the Debtors and their respective businesses and all of their assets should be enjoined pursuant to sections 1519, 1521, and 105(a) of the Bankruptcy Code, which protections, in each case, shall be coextensive with the

provisions of section 362 of the Bankruptcy Code, to permit the fair and efficient administration of the CCAA Proceeding and an orderly sale process for substantially all of the property and assets used in connection with the business carried on by the Debtors in North America pursuant to the Initial CCAA Order and any other applicable orders of the Canadian Court, for the benefit of all stakeholders; and (b) the relief requested will neither cause an undue hardship nor create any hardship to parties in interest that is not outweighed by the benefits of the relief granted herein.

E. The Foreign Representative has demonstrated that unless this Order is entered, there is a material risk that one or more parties in interest will take action against the Debtors or their assets, thereby interfering with the jurisdictional mandate of this Court under chapter 15 of the Bankruptcy Code and interfering with and causing harm to the efforts to maximize the value of the Debtors' assets, including through the sale process, pursuant to the terms of the Initial CCAA Order. As a result, the Debtors will suffer immediate and irreparable harm for which they will have no adequate remedy at law and therefore it is necessary that this Court grant the relief requested without prior notice to parties in interest or their counsel.

F. The Foreign Representative has demonstrated that the incurrence of indebtedness under the DIP Loan, as authorized by the Initial CCAA Order, is necessary to prevent irreparable harm to the Debtors because without such financing, the Debtors will be unable to continue operations, which will significantly impair the value of their assets.

G. The Foreign Representative has demonstrated that the terms of the DIP Loan are fair and reasonable and were entered into in good faith by the Debtors and the

DIP Lender, as defined in the Initial CCAA Order, and the DIP Lender would not have extended financing without conditions precedent requiring a final recognition order by this Court and the interim protection pursuant to sections 364(c), 364(d), and 364(e) of the Bankruptcy Code, as made applicable by sections 1519(a)(3), 1521(a)(7), and 105(a) of the Bankruptcy Code, while consideration of final recognition was pending.

H. Absent the relief granted herein, the Debtors may suffer immediate and irreparable injury, loss, or damage for which there is no adequate remedy at law. Further, unless this Order is entered, the assets of the Debtors located in the United States could be subject to efforts by creditors to control, possess, or execute upon such assets and such efforts could result in the Debtors suffering immediate and irreparable injury, loss, or damage by, among other things, (a) interfering with the jurisdictional mandate of this Court under chapter 15 of the Bankruptcy Code, and (b) interfering with or undermining the success of the CCAA Proceeding and the Debtors' efforts to pursue a going-concern sale of their core business for the benefit of all their stakeholders.

I. The Foreign Representative has demonstrated that without the protection of section 365(e) of the Bankruptcy Code, there is a material risk that counterparties to certain of the Debtors' contracts and leases may take the position that the commencement of the CCAA Proceeding authorizes them to terminate such contracts or accelerate obligations thereunder. Such termination or acceleration, if permitted and valid, would severely disrupt the Debtors' operations and efforts to consummate a sale, resulting in irreparable damage to the value of the Debtors' business, and causing substantial harm to the Debtors' creditors and other parties in interest.

J. The Foreign Representative has demonstrated that no injury will result to any party that is greater than the harm to the Debtors' business, assets, and property in the absence of the requested relief.

K. The interests of the public and the public policy of the United States will be served by entry of this Order.

L. The Foreign Representative and the Debtors are entitled to the full protections and rights available pursuant to section 1519(a)(1)-(3) of the Bankruptcy Code.

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is granted to the extent set forth herein.
2. The Initial CCAA Order is hereby enforced on an interim basis, including, without limitation, (a) authorizing the Debtors to obtain credit under the DIP Loan and granting the DIP Lender the DIP Lender's Charge, and (b) staying the commencement or continuation of any actions against the Debtors or their assets, and shall be given full force and effect in the United States until otherwise ordered by this Court.
3. While this Order is in effect, the Foreign Representative and the Debtors shall be entitled to the full protections and rights pursuant to section 1519(a)(1), which protections shall be coextensive with the provisions of section 362 of the Bankruptcy Code, and this Order shall operate as a stay of any execution against the Debtors' assets within the territorial jurisdiction of the United States; *provided* that upon the occurrence of an event of default under the DIP Credit Documentation (as defined below) or the DIP Lender's Charge, this paragraph shall be deemed to be automatically modified to the



extent necessary to allow the DIP Lender to exercise its rights pursuant to the Initial CCAA Order. Specifically, all persons and entities are hereby enjoined from continuing any action or commencing any additional action involving the Debtors, their assets or the proceeds thereof, (b) enforcing any judicial, quasi-judicial, or administrative judgment, assessment or order, or arbitration award against the Debtors or their assets, (c) commencing or continuing any action to create, perfect, or enforce any lien, setoff, or other claim against the Debtors or any of their property, or (d) managing or exercising control over the Debtors' assets located within the territorial jurisdiction of the United States, except as expressly authorized by the Debtors in writing.

4. While this Order is in effect, pursuant to sections 1519(a)(3) and 1521(a)(7) of the Bankruptcy Code, (a) section 362 of the Bankruptcy Code is hereby made applicable in these cases to the Debtors and the property of the Debtors within the territorial jurisdiction of the United States and (b) section 365(e) of the Bankruptcy Code is hereby made applicable to the Debtors in these cases.

5. Notwithstanding anything to the contrary contained herein, this Order shall not be construed as (a) enjoining the police or regulatory act of a governmental unit, including a criminal action or proceeding, to the extent not stayed pursuant to section 362 of the Bankruptcy Code or (b) staying the exercise of any rights that section 362(o) of the Bankruptcy Code does not allow to be stayed.

6. As authorized under the Initial CCAA Order, the DIP Lender is hereby granted, on a provisional basis, the DIP Lender Charge, as defined in the Initial CCAA Order, including, among other things, the grant of a first lien on the Debtors' United States assets pursuant to § 364(c)(2) of the Bankruptcy Code (and to the extent necessary

pursuant to Section 364(d) of the Bankruptcy Code after appropriate hearing) in the amount outstanding from time to time under the DIP Loan up to a maximum of USD \$1.4 million, subject to the priorities, terms, and conditions of the Initial CCAA Order, to secure current and future amounts outstanding under the DIP Loan. The obligations under the DIP Loan shall be on a joint and several basis for all Debtors. As set forth in the Initial CCAA Order, all Debtors shall provide Foreign Representative a lien that is a super-priority, first-ranking charge on account of any funds extended by Foreign Representative to any Debtor after the commencement of the Canadian Proceeding (the "Intercompany Liens"). The obligations arising under the DIP Loan shall be further secured by the Intercompany Liens. The DIP Lender Charge shall apply to the Intercompany Liens.

7. The obligations of the Debtors under the DIP Loan shall be an allowed administrative expense claim with priority under section 364(c)(1) of the Bankruptcy Code, subject and subordinate only to the Carve-Out, and otherwise over all administrative expense claims and unsecured claims against the Debtors, now existing or hereafter arising.

8. To the extent provided in the Initial CCAA Order, the Debtors are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees, and other definitive documents as are contemplated by the DIP Loan (collectively, the "DIP Credit Documentation") or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Debtors are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities, and obligations to the DIP Lender under and pursuant to the DIP

Loan (and in accordance with the budget delivered in connection therewith) including, but not limited to, the fees and expenses of the DIP Lender's Canadian and United States counsel, and other advisors, as and when the same become due and are to be performed, notwithstanding any other provision of this Order and without any further order of this Court.

9. This Order shall be sufficient and conclusive notice and evidence of the grant, validity, perfection, and priority of the liens granted to the DIP Lender in the Initial CCAA Order without the necessity of filing or recording this Order or any financing statement, mortgage, or other instrument or document which may otherwise be required under the law of any jurisdiction; *provided* that the Debtors are authorized to execute and the administrative agent under the DIP Loan may file or record financing statements, mortgages, or other instruments to further evidence the liens authorized, granted, and perfected hereby and by the Initial CCAA Order.

10. The DIP Credit Documentation has been negotiated in good faith and at arm's-length between the Debtors and the DIP Lender. Any financial accommodations made to the Debtors by the DIP Lender pursuant to the Initial CCAA Order and the DIP Documents shall be deemed to have been made by the DIP Lender in good faith, as that term is used in section 364(e) of the Bankruptcy Code. Accordingly, pursuant to sections 364(e), 1519(a)(3), 1521(a)(7), and 105(a) of the Bankruptcy Code, section 364(e) of the Bankruptcy Code hereby applies for the benefit of the DIP Lender, and the validity of the indebtedness, and the priority of the liens authorized by the Initial CCAA Order made enforceable in the United States by this Order, shall not be affected by any reversal or

modification of this Order, on appeal or the entry of an order denying recognition of the CCAA Proceeding pursuant to section 1517 of the Bankruptcy Code.

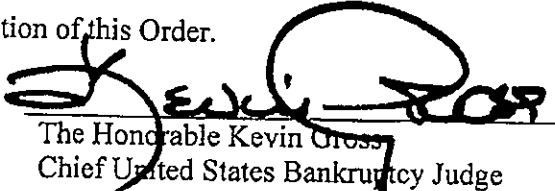
11. No action, inaction or acquiescence by the DIP Lender including funding of the Debtors' ongoing operations under this Order, shall be deemed to be or shall be considered as evidence of any alleged consent by the DIP Lender to a charge against the collateral pursuant to sections 506(c), 552(b) or 105(a) of the Bankruptcy Code. The DIP Lender shall not be subject in any way whatsoever to the equitable doctrine of "marshalling" or any similar doctrine with respect to the collateral.

12. Any party in interest may make a motion seeking relief from, or modification of, this Order, by filing a motion, unless otherwise ordered by the Court, on not less than seven business days' written notice to Klehr Harrison Harvey Branzburg LLP, 919 N. Market Street, Suite 1000, Wilmington, Delaware 19801 Attn: Domenic E. Pacitti, Esq., and this Court will hear such motion on a date to be scheduled by this Court.

13. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (a) this Order shall be effective immediately and enforceable upon entry; (b) the Foreign Representative shall not be subject to any stay in the implementation, enforcement, or realization of the relief granted in this Order; and (c) the Foreign Representative is authorized and empowered, and may in its discretion and without further delay, take any action and perform any act necessary to implement and effectuate the terms of this Order. Pursuant to Rule 65(b) of the Federal Rules of Civil Procedure, made applicable to these proceedings pursuant to Bankruptcy Rule 7065, no notice to any person is required prior to entry and issuance of this Order. Pursuant to Bankruptcy Rule 7065, the provisions of Federal Rule of Civil Procedure 65(c) are hereby waived, to the extent applicable.

14. This Court shall retain jurisdiction with respect to any and all matters relating to the interpretation or implementation of this Order.

Date: April 12, 2013  
Wilmington, Delaware

  
The Honorable Kevin Gross  
Chief United States Bankruptcy Judge

# **EXHIBIT “C”**

**EXHIBIT** "C"

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	)	
	)	Chapter 15
XENTEL INC., <i>et al.</i> , <sup>1</sup>	)	
	)	Case No. 13-10888 (KG)
Debtors in a Foreign Proceeding.	)	
	)	Joint Administration Pending
	)	
	)	Related to Docket Nos. 7 and 18

**ORDER GRANTING RECOGNITION OF FOREIGN MAIN PROCEEDING AND  
CERTAIN RELATED RELIEF ON A FINAL BASIS**

Upon the motion (the "Motion")<sup>2</sup> of iMarketing Solutions Group Inc., in its capacity as the authorized foreign representative for the above captioned debtors (collectively, the "Debtors") in a proceeding commenced under Canada's *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and pending before the Ontario Superior Court of Justice, pursuant to sections 362, 364, 365, 1517, 1519, 1520, 1521, and 105(a) of title 11 of the United States Code, as amended from time to time (the "Bankruptcy Code") for entry of (a) a provisional order (the "Provisional Order"): (i) recognizing and enforcing in the United States, on an interim basis, the Initial Order (the "Initial CCAA Order") issued on April [ ], 2013 by the Canadian Court, including, without limitation, the Canadian Court's decision (A) to authorize the Debtors to enter into and perform under that certain DIP Loan, and (B) to grant the DIP Lender's Charge to the DIP Lender under the DIP Loan, (ii) granting, on an interim basis, to and for the

<sup>1</sup> The Debtors in these chapter 15 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, are: Xentel Inc. (6267); Wellesley Corporation Inc. (4092); GWE Consulting Group (USA) Inc. (2629); US Billing Inc. (7752); American Graphics & Design Inc. (7772); Courtesy Health Watch Inc. (1403); and Target Outreach Inc. (9046). The Debtors' main corporate address is 481 University Ave., Toronto, Canada M5G 2E9.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Motion.

benefit of the DIP Lender certain protections afforded by the Bankruptcy Code, including those protections provided by sections 364(c), 364(d), and 364(e) of the Bankruptcy Code, as applicable, (iii) granting an interim stay of execution against the Debtors' assets and applying sections 362 and 365(e) of the Bankruptcy Code in these chapter 15 cases on an interim basis pursuant to sections 1519(a)(3), 1521(a)(7), and 105(a) of the Bankruptcy Code, and (iv) granting such other and further relief as this Court deems just and proper; and (b) entry of a final order after notice and a hearing, (this "Order") (i) granting the petitions in these cases and recognizing the CCAA Proceeding as a foreign main proceeding pursuant to section 1517 of the Bankruptcy Code, (ii) giving full force and effect in the United States to the Initial CCAA Order, including any extensions or amendments thereof authorized by the Canadian Court, and extending the protections of the Provisional Order to the Debtors on a final basis, (iii) granting the DIP Lender certain protections afforded by the Bankruptcy Code, and (iv) granting such other and further relief as this Court deems just and proper; and it appearing that this Court has jurisdiction to consider the Motion pursuant to sections 157 and 1334 of title 28 of the United States Code, and the Amended Standing Order of Reference from the United States District Court for the District of Delaware dated as of February 29, 2012; and this Court having reviewed the Motion, the Petitions for Recognition, the Langhorne Declaration, and the Memorandum of Law, and having considered the statements of counsel with respect to the Motion at a hearing before this Court (the "Hearing"); and appropriate and timely notice of the filing of the Motion and the Hearing having been given; and no other or further notice being necessary or required; and this Court having determined that the legal and factual bases set forth in the Motion, the Petitions for Recognition, the



Langhorne Declaration, the Memorandum of Law, and all other pleadings and papers in these cases establish just cause to grant the relief ordered herein, and after due deliberation therefor;

**THIS COURT HEREBY FINDS AND DETERMINES THAT:**

A. The findings and conclusions set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Rule 7052 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the Amended Standing Order of Reference from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P). Venue for this proceeding is proper before this Court pursuant to 28 U.S.C. § 1410.

C. The Foreign Representative is the duly appointed "foreign representative" of the Debtors within the meaning of section 101(24) of the Bankruptcy Code.

D. This chapter 15 case was properly commenced pursuant to sections 1504, 1509, and 1515 of the Bankruptcy Code.

E. The Foreign Representative has satisfied the requirements of section 1515 of the Bankruptcy Code and Bankruptcy Rule 2002(q).

F. The CCAA Proceeding is a "foreign proceeding" pursuant to section 101(23) of the Bankruptcy Code.

G. The CCAA Proceeding is entitled to recognition by this Court pursuant to section 1517 of the Bankruptcy Code.

H. Canada is the center of main interests of each of the Debtors, and accordingly the CCAA Proceeding is a "foreign main proceeding" as defined in section 1502(4) of the Bankruptcy Code, and is entitled to recognition as a foreign main proceeding pursuant to section 1517(b)(1) of the Bankruptcy Code.

I. The Foreign Representative has demonstrated that the borrowings under the DIP Loan authorized by the Initial CCAA Order are necessary to preserve the value of the Debtors' business.

J. The Foreign Representative has demonstrated that the terms of the DIP Loan, as approved in the Initial CCAA Order, are fair and reasonable and were entered into in good faith by the Debtors and the DIP Lender and that the DIP Lender would not extend financing without the protections provided by sections 364(c), 364(d), and 364(e) of the Bankruptcy Code, as made applicable by section 1521(a)(7) of the Bankruptcy Code. The Foreign Representative has demonstrated that the terms of the DIP Loan are reasonable under the circumstances.

K. The Foreign Representative has demonstrated that the incurrence of indebtedness under the DIP Loan, as authorized by the Initial CCAA Order, is necessary to prevent irreparable harm to the Debtors and their affiliates because, without such financing, they will be unable to continue operations, which will significantly impair the value of the Debtors' assets.

L. The Foreign Representative is entitled to all the automatic relief available pursuant to section 1520 of the Bankruptcy Code without limitation.

M. The Foreign Representative is further entitled to the discretionary relief expressly set forth in section 1521(a) and (b) of the Bankruptcy Code.

N. The relief granted herein is necessary and appropriate, in the interests of the public and international comity, consistent with the public policy of the United States, and warranted pursuant to sections 1517, 1520, and 1521 of the Bankruptcy Code.

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Petitions for Recognition and the Motion are granted.
2. The CCAA Proceeding is granted recognition as a foreign main proceeding pursuant to section 1517 of the Bankruptcy Code.
3. The Initial CCAA Order, including any extensions, amendments, or modifications thereto, is hereby enforced on a final basis and given full force and effect in the United States.
4. All relief afforded foreign main proceedings pursuant to section 1520 of the Bankruptcy Code is hereby granted to the CCAA Proceeding, the Debtors, and the Foreign Representative, as applicable.
5. Sections 362 and 365(e) of the Bankruptcy Code shall hereby apply with respect to the Debtors and the property of the Debtors that is within the territorial jurisdiction of the United States; provided that upon the occurrence of an event of default under the DIP Credit Documentation (as defined below) or the DIP Lender's Charge, this paragraph shall be deemed to be automatically modified to the extent necessary to allow the DIP Lender to exercise their rights pursuant to the Initial CCAA Order.
6. Subject to sections 1520 and 1521 of the Bankruptcy Code, the CCAA Proceeding and the Initial CCAA Order, and the transactions consummated or to be

consummated thereunder, including without limitation, the DIP Loan and the DIP Lenders' Charge, shall be granted comity and given full force and effect in the United States to the same extent that they are given effect in Canada, and each is binding on all creditors of the Debtors and any of their successors or assigns.

7. Pursuant to section 1521(a)(6) of the Bankruptcy Code, all prior relief granted to the Debtors or the Foreign Representative by this Court pursuant to section 1519(a) of the Bankruptcy Code shall be extended and the Provisional Order shall remain in full force and effect, notwithstanding anything to the contrary contained therein.

8. All entities (as that term is defined in section 101(15) of the Bankruptcy Code), other than the Foreign Representative and its expressly authorized representatives and agents, are hereby enjoined from:

- a. execution against any of the Debtors' assets;
- b. the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, arbitral, or other action or proceeding, or to recover a claim, which in either case is in any way related to, or would interfere with, the administration of the Debtors' estates in the CCAA Proceeding or the solicitation, implementation, or consummation of the transactions contemplated by the Initial CCAA Order, including without limitation any and all unpaid judgments, settlements, or otherwise against the Debtors in the United States; taking or continuing any act to create, perfect, or enforce a lien or other security interest, set-off, or other claim against the Debtors or any of their property;
- c. transferring, relinquishing, or disposing of any property of the Debtors to any entity (as that term is defined in section 101(15) of the Bankruptcy Code) other than the Foreign Representative; and
- d. commencing or continuing an individual action or proceeding concerning the Debtors' assets, rights,

obligations, or liabilities to the extent they have not been stayed pursuant to section 1520(a);

provided, in each case, that such injunction shall be effective solely within the territorial jurisdiction of the United States.

9. The obligations of the Debtors under the DIP Loan shall be an allowed administrative expense claim with priority, subject and subordinate only to the Carve-Out, under section 364(c)(1) of the Bankruptcy Code and otherwise over all administrative expense claims and unsecured claims against the Debtors, now existing or hereafter arising.

10. Pursuant to the Initial CCAA Order, the Debtors are hereby authorized to borrow up to USD \$1 million under and in accordance with the terms of the DIP Loan. In addition, the Debtors are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees, and other documents as are contemplated by the DIP Loan (collectively, the "DIP Credit Documentation") or as may be reasonably requested by the DIP Lender pursuant to the terms thereof, and the Debtors are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities, and obligations to the DIP Lender under and pursuant to the DIP Loan (and in accordance with the budget delivered in connection therewith) including, but not limited to, the fees and expenses of the DIP Lender's Canadian and United States counsel, and other advisors, as and when the same become due and are to be performed, notwithstanding any other provision of this Order and without any further order of this Court. As set forth in the Initial CCAA Order, all Debtors shall provide Foreign Representative a lien that is a super-priority, first-ranking charge on account of any funds extended by Foreign Representative to any Debtor after

the commencement of the Canadian Proceeding (the "Intercompany Liens"). The obligations arising under the DIP Loan shall be further secured by the Intercompany Liens. The DIP Lender Charge shall apply to the Intercompany Liens.

11. Pursuant to section 364 of the Bankruptcy Code and subject to the priorities, terms, and conditions of the Initial CCAA Order, to secure current and future amounts outstanding under the DIP Loan, the DIP Lender are hereby granted the DIP Lender' Charge on all of the Debtors' United States assets up to the maximum amount of the obligations under the DIP Loan; this shall include a first lien on all the Debtors' United States assets pursuant to Section 364(c)(2), and, if necessary, pursuant to Section 364(d) after appropriate hearing.

12. Any obligations incurred by the Debtors as a result of entering into or performing their obligations under the DIP Loan do not and will not constitute preferences, fraudulent conveyances or transfers, transfers at under value, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

13. This Order shall be sufficient and conclusive notice and evidence of the grant, validity, perfection, and priority of the liens granted to the DIP Lender in the Initial CCAA Order without the necessity of filing or recording this Order or any financing statement, mortgage, or other instrument or document, which may otherwise be required under the law of any jurisdiction; provided that the Debtors are authorized to execute and the administrative agent under the DIP Loan may file or record financing statements, mortgages, or other instruments to further evidence the liens authorized, granted, and perfected hereby and by the Initial CCAA Order.

14. The DIP Credit Documentation and the DIP Loan have been negotiated in good faith between the Debtors and the DIP Lender. Any financial accommodations made to the Debtors by the DIP Lender pursuant to the Initial CCAA Order and the DIP Documents shall be deemed to have been made by the DIP Lender in good faith, as that term is used in section 364(e) of the Bankruptcy Code. Accordingly, pursuant to sections 364(e), 1519(a)(3), 1521(a)(7), and 105(a) of the Bankruptcy Code, section 364(e) of the Bankruptcy Code hereby applies for the benefit of the DIP Lender, and the validity of the indebtedness, and the priority of the liens authorized by the Initial CCAA Order made enforceable in the United States by this Order, shall not be affected by any reversal or modification of this Order on appeal or the entry of an order denying recognition of the CCAA Proceeding pursuant to section 1517 of the Bankruptcy Code.

15. Effective upon entry of this Order, no person or entity shall be entitled, directly or indirectly, whether by operation of sections 105, 506(c) or 552(b) of the Bankruptcy Code or otherwise, to direct the exercise of remedies or seek (whether by order of this Court or otherwise) to marshal or otherwise control the disposition of collateral or property after an Event of Default under the DIP Loan, the Initial CCAA Order or this Order.

16. Notwithstanding anything to the contrary contained herein, this Order shall not be construed as (a) enjoining the police or regulatory act of a governmental unit, including a criminal action or proceeding, to the extent not stayed pursuant to section 362 of the Bankruptcy Code or (b) staying the exercise of any rights that section 362(o) of the Bankruptcy Code does not allow to be stayed.

17. The Foreign Representative is hereby authorized to apply to this Court to examine witnesses, take evidence, seek production of documents, and deliver information concerning the assets, affairs, rights, obligations, or liabilities of the Debtors, as such information is required in the CCAA Proceeding.

18. The Foreign Representative, the Debtors and/or each of their successors, agents, representatives, advisors, or counsel shall be entitled to the protections contained in sections 306 and 1510 of the Bankruptcy Code.

19. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (a) this Order shall be effective immediately and enforceable upon entry; (b) neither the Foreign Representative nor the DIP Lender are subject to any stay in the implementation, enforcement, or realization of the relief granted in this Order; and (c) the Foreign Representative is authorized and empowered, and may in its discretion and without further delay, take any action and perform any act necessary to implement and effectuate the terms of this Order.


20. A copy of this Order, confirmed to be true and correct, shall be served, within three business days of entry of this Order, by facsimile, electronic mail, or overnight express delivery, upon all persons or bodies authorized to administer foreign proceedings of the Debtors, all entities against whom provisional relief was granted pursuant to section 1519 of the Bankruptcy Code, all parties to litigation pending in the United States in which any of the Debtors were a party at the time of the filing of the Petitions for Recognition, the Office of the United States Trustee for the District of Delaware, and such other entities as this Court may direct.



21. Such service shall be good and sufficient service and adequate notice for present purposes.

22. This Court shall retain jurisdiction with respect to: (a) the enforcement, amendment, or modification of this Order; (b) any requests for additional relief or any adversary proceeding brought in and through these cases; and (c) any request by an entity for relief from the provisions of this Order, for cause shown.

Date: May 17, 2013  
Wilmington, Delaware

  
The Honorable Kevin Gross  
Chief United States Bankruptcy Judge

## **EXHIBIT “D”**

**Marketing Solutions Group Inc. and its Direct and Indirect Subsidiaries**  
**Projected Statement of Cash Flows<sup>(1)</sup>**  
**For the Period April 15, 2013 to August 2, 2013**  
**(\$CAD, Unaudited)**

Notes	For the Weeks Ending													Total			
	19-Apr	26-Apr	3-May	10-May	17-May	24-May	31-May	7-Jun	14-Jun	21-Jun	28-Jun	5-Jul	12-Jul		19-Jul	26-Jul	2-Aug
<b>Cash Inflow from Operations</b>	499,100	899,100	599,800	449,550	399,547	1,267,112	851,052	844,815	576,540	781,590	813,107	823,635	819,366	810,500	800,448	800,966	791,124
Collections from opening accounts receivable balance	-	-	99,912	399,547	1,267,112	851,052	844,815	576,540	781,590	813,107	823,635	819,366	819,366	810,500	800,448	800,966	791,124
Collections from new accounts receivable	499,100	899,100	699,888	819,103	1,367,112	851,062	844,815	876,550	781,590	818,167	818,167	825,635	819,366	810,500	800,448	800,966	791,138
<b>Total Cash Inflows from Operations</b>	499,100	899,100	599,800	449,550	399,547	1,267,112	851,052	844,815	576,540	781,590	813,107	823,635	819,366	810,500	800,448	800,966	791,124
<b>Cash Outflow from Operations</b>	270,250	370,250	270,250	282,000	382,000	282,000	293,750	293,750	293,750	293,750	293,750	293,750	293,750	293,750	293,750	293,750	293,750
Variable Costs:																	
Tele-fundraising	38,462	38,462	38,462	38,462	38,462	38,462	38,462	38,462	38,462	38,462	38,462	38,462	38,462	38,462	38,462	38,462	38,462
Direct voter contact	35,025	35,025	35,025	35,025	35,025	35,025	35,025	35,025	35,025	35,025	35,025	35,025	35,025	35,025	35,025	35,025	35,025
Total Variable Costs	344,787	344,787	344,787	356,537	356,537	320,462	332,212	332,212	332,212	332,212	332,212	332,212	332,212	332,212	332,212	332,212	332,212
Fixed and Other Operating Costs	382,100	299,600	685,659	169,800	252,200	334,800	621,300	416,300	333,700	333,900	333,700	333,700	515,300	281,600	281,600	281,600	515,300
<b>Total Cash Outflows from Operations</b>	726,887	644,387	1,020,416	556,137	604,737	655,262	953,517	748,512	665,912	666,112	665,912	665,912	847,712	613,812	613,812	613,812	847,712
<b>Net Cash from Operations</b>	172,213	254,713	(331,134)	323,061	658,376	195,790	(108,699)	128,028	115,678	152,055	159,723	(38,246)	(28,346)	196,557	186,536	187,095	(56,588)
<b>Restructuring and Other Costs</b>																	
Professional fees	100,000	-	195,000	-	160,000	100,000	-	-	205,000	-	-	-	-	210,000	-	-	-
Contingency	305,500	305,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(449,900)
DIP loan fee and interest	-	-	-	-	75,000	-	-	25,000	-	-	-	25,000	-	-	-	-	125,000
Customer reimbursements	84,186	63,407	-	184,575	209,500	30,900	-	-	-	-	-	-	-	-	-	-	572,568
Past due Payroll withholdings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	233,489
State regulations	22,300	-	-	-	22,300	-	-	-	-	22,300	-	-	-	22,300	-	-	89,200
Sales taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Restructuring and Other Costs</b>	511,986	366,907	195,000	184,575	466,800	130,900	-	25,000	205,000	22,300	-	25,000	-	22,300	-	-	(191,011)
<b>Net Cash Flow</b>	(339,773)	(114,194)	(436,134)	138,886	191,576	64,890	(108,699)	103,028	(89,322)	129,755	159,723	(63,246)	(63,246)	(13,411)	164,236	187,095	134,527
<b>DIP loan balance</b>	-	(339,773)	(433,067)	(890,100)	(751,615)	(560,039)	(395,149)	(692,445)	(800,809)	(596,127)	(460,372)	(300,649)	(300,649)	(367,138)	(203,201)	(203,201)	(16,107)
<b>(DIP Loan)/End of Period Cash Balance</b>	(339,773)	(453,967)	(890,100)	(751,615)	(560,039)	(495,149)	(602,845)	(800,866)	(900,127)	(460,372)	(300,649)	(353,995)	(353,995)	(351,438)	(203,201)	(16,107)	116,331

#### **Purpose and General Assumptions**

1. The purpose of the projection is to present the forecast of the cash flow of iMarketing Solutions Group Inc. and its direct and indirect subsidiaries (collectively, the "Company") for the period April 15, 2013 to August 2, 2013 ("Period") in respect of its proceedings pursuant to the *Companies' Creditors Arrangement Act* and Chapter 15 of Title 11 of the *United States Code*.

The projected cash flow statement has been prepared based on hypothetical and most probable assumptions developed and prepared by the Company.

#### **Specific Assumptions**

2. Represents collection of accounts receivable balances from the pre-filing period, inclusive of sales taxes, and from revenues to be generated during the Period, net of sales taxes. Collections are based on historical patterns.
3. Represents variable costs associated with continued operation of the Company's fundraising, direct mail and direct voter contact businesses. Costs include direct labour and fulfillment costs (printing, postage, courier).
4. Includes fixed costs associated with continued operations, such as salaries, rent and utilities.
5. Represents the professional fees to be paid in the period related to the restructuring proceedings, including the fees of the Company's Canadian and US legal counsel, Monitor and its Canadian and US legal counsel.
6. Represents a contingency for unknown expenses, including, potentially, security deposits to critical vendors and a return of such deposits in the week ended August 2, 2013.
7. Relates to fees, costs and interest associated with the DIP loan facility.
8. Reflects payment to certain customers regarding pre-filing amounts collected.
9. Includes source deductions and withholding taxes immediately prior to the Period.
10. Reflects balances owing to certain State regulators in the United States.
11. Reflects pre-filing sales taxes owing.
12. Assumes an opening cash balance of nil as the CIBC line of credit is fully drawn.

**EXHIBIT “E”**

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE MR. )  
JUSTICE NEWBOULD )

TUESDAY, THE 7TH  
DAY OF MAY, 2013

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 iMARKETING SOLUTIONS GROUP  
INC. and the Companies referred to in Schedule "A"

Applicants



~~AMENDED~~ ORDER *du 5*  
(Stay Extension and SIP Approval)

THIS MOTION, made by the Applicants, for an order, among other things: (a) approving the sale and investment process (the "SIP"), attached as Schedule "B" to this Order; (b) approving the amended agreement (the "Amended CRO Agreement") between iMarketing Solutions Group Inc. and Illumina Partners Inc. ("Illumina") appointing Illumina as the Applicants' Chief Restructuring Officer (the "CRO") and permitting the Applicants to pay a success fee to Illumina, in its capacity as CRO; (c) extending the Stay Period (as defined in the Initial Order of the Honourable Mr. Justice Newbould granted on April 12, 2013 in these proceedings) to August 2, 2013 (the "Initial Order"); (d) requiring American Express Corporate Credit Cards, American Express and any affiliated companies ("collectively, AMEX") to immediately comply with the provisions of the Initial Order; and (e) approving the First Report

of Duff & Phelps Canada Restructuring Inc. (the “**Monitor**”) dated May 2, 2013 (the “**First Report**”), the Supplemental Report of the Monitor dated May 6, 2013 (the “**Supplemental Report**”) and the actions and activities of the Monitor described therein, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Andrew Langhorne sworn May 2, 2013, and the Exhibits thereto (the “**Langhorne Affidavit**”), and the First Report and the Supplemental Report, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for Shotgun Fund Limited Partnership III, counsel for the Canadian Imperial Bank of Commerce, counsel for AMEX, no one else appearing although duly served as appears from the affidavit of service of Danny M. Nunes sworn on May 3, 2013.

#### **SERVICE**

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

#### **SALE AND INVESTOR SOLICITATION PROCESS**

2. **THIS COURT ORDERS** that the SIP, attached as Schedule “B” to this Order, be and is hereby approved.

3. **THIS COURT ORDERS** that the Applicants, the CRO and the Monitor be and are hereby authorized and directed to perform their obligations under and take such steps as they consider necessary or desirable in carrying out the SIP and any step taken by the Applicants, the

CRO and the Monitor in connection with the SIP prior to the date hereof be and is hereby approved and ratified.

4. **THIS COURT ORDERS** that the Monitor and the CRO, to the extent either of them assists with the SIP, shall have no personal or corporate liability in connection with the SIP, including, without limitation:

- (a) by advertising the SIP, including, without limitation, the opportunity to acquire all or a portion of the Applicants' assets (the "Assets") or to invest by way of equity or debt in the Applicants' business;
- (b) by exposing the Assets to any and all parties, including, but not limited to, those parties who have made their interests known to the Monitor or the CRO;
- (c) by responding to any and all requests or inquiries in regards to due diligence conducted in respect of the Applicants or the Assets;
- (d) through the disclosure of any and all information regarding the Applicants or the Assets arising from, incidental to or in connection with the SIP;
- (e) pursuant to any and all offers received by the Applicants in accordance with the SIP;  
and
- (f) pursuant to any agreements entered into by any of the Applicants in respect of the sale of any of the Assets or the investment in or financing of the Applicants' business.

5. **THIS COURT ORDERS** that, in connection with the SIP and pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Applicants,



the CRO and the Monitor are authorized and permitted to disclose personal information of identifiable individuals to prospective investors, financiers, purchasers or bidders and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more investment, finance or sale transactions (each, a "Transaction"). Each prospective investor, financier, purchaser, or bidder to whom such information is disclosed shall maintain and protect the privacy of such information and shall limit the use of such information to its evaluation of the Transaction, and if it does not complete a Transaction, shall: (i) return all such information to the Applicants, the CRO or the Monitor; (ii) destroy all such information; or (iii) in the case of such information that is electronically stored, destroy all such information to the extent it is reasonably practical to do so.

#### **APPROVAL OF AMENDED CRO AGREEMENT AND SUCCESS FEE**

6. **THIS COURT ORDERS** that the Applicants shall pay the CRO his fees and disbursements, including the fees and disbursements of the CRO's counsel, if any, in accordance with the Amended CRO Agreement annexed as Exhibit "F" to the Langhorne Affidavit and that the Applicants are permitted to pay the success fee set out therein when due.

#### **STAY EXTENSION**

7. **THIS COURT ORDERS** that the Stay Period, as defined in paragraph 15 of the Initial Order, be and is hereby extended to and including August 2, 2013.

#### **AMERICAN EXPRESS**

8. **THIS COURT ORDERS** that AMEX shall immediately comply with the provisions of the Initial Order, including but not limited to those provisions of the Initial Order preventing all

persons having agreements with the Applicants for the supply of goods and/or services from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants, and shall immediately unfreeze and make available to the Applicants, subject to the qualifications below, all credit accounts held by the Applicants with AMEX upon the Applicants (i) paying AMEX, (which term includes Amex Bank of Canada and Amex Canada Inc.) all post-filing amounts currently owing to AMEX by the Applicants under the credit accounts, and (ii) posting a deposit with AMEX in an amount sufficient to cover the Applicants' expected charges on their credit accounts for the following two (2) week period and replenishing said deposit on a going forward basis as required (the "Deposit").

9. **THIS COURT ORDERS** that notwithstanding anything contained in paragraph 8 of this order, under no circumstance shall AMEX be required to provide post-filing credit to the Applicants, and AMEX shall not be required to process any transaction initiated by the Applicants in a credit account, which would result in AMEX providing credit to the Applicants in an amount greater than the Deposit held by AMEX .

**APPROVAL OF THE FIRST REPORT, SUPPLEMENTAL REPORT AND MONITOR'S ACTIVITIES**

10. **THIS COURT ORDERS** that the First Report, the Supplemental Report and the actions and activities of the Monitor as described therein be and they are hereby approved.

  
\_\_\_\_\_

**Schedule "A"**

**List of Applicants**

iMarketing Solutions Group Inc.

The Responsive Marketing Group Inc.

GWE Consulting Group (USA) Inc.

Direct Contact Strategies Inc.

Front Line Support Inc.

iMark Events Inc.

RMG General Partner Inc.

Cabot Call Centre Inc.

Engage Interactive Inc.

RMG Smiths Falls LP.

RMG Thunder Bay LP

Xentel Inc. (Delaware)

Wellesley Corporation Inc. (Delaware)

US Billing Inc. (Delaware)

American Graphics & Design Inc. (Wisconsin)

Courtesy Health Watch Inc. (Delaware)

Target Outreach Inc. (Nevada)

Engage Funding Inc. (Delaware)

## SCHEDULE "B"

### iMarketing Solutions Group Inc. Sale and Investment Process Summary

The purpose of the Sale and Investment Process (the "SIP") is to identify one or more purchasers of, or investors in, the IMMSG Group of Companies' ("IMMSG") business with a projected completion date of a transaction or transactions by the middle of July, 2013.

All capitalized terms used but not otherwise defined herein have the meaning given to them in the Order granted by the Ontario Superior Court of Justice (the "Court") on April 12, 2013 (the "Initial Order") in respect of the IMMSG Parties' proceedings commenced under the *Companies' Creditors Arrangement Act* (the "CCAA").

The SIP details are provided below.

- IMMSG's Chief Restructuring Officer ("CRO") has compiled, and with the assistance of the Monitor and the DIP Lender may continue to compile, a list of interested parties ("Interested Parties") and will distribute to them an interest solicitation letter detailing this opportunity. The CRO, with the assistance of the Monitor, will contact all parties identified as well as any additional parties that come to its attention. A confidentiality agreement ("CA") will be attached to the interest solicitation letter;
- The CRO, with the assistance of the Monitor, will prepare a confidential information memorandum ("CIM") which will be made available to Interested Parties that execute the CA. The CIM will provide an overview of the IMMSG's business, property and financial results and be in form and substance acceptable to the DIP Lender;
- Interested Parties who execute the CA will have an opportunity to perform diligence, including reviewing information in a virtual data room;
- A notice will be published in the national edition of *The Globe and Mail* newspaper and, at the discretion of the CRO and the Monitor, in a U.S. periodical. As soon as reasonably practicable after the granting of an order of the Court approving the SIP (the "SIP Order"), IMMSG shall issue a press release setting out the notice and such other relevant information in form and substance satisfactory to the Monitor and the CRO, with Canada Newswire designating dissemination in Canada and the U.S.;
- The CRO, with the assistance of the Monitor, will facilitate diligence efforts by, among other things, responding to questions and coordinating meetings between Interested Parties and IMMSG's management and such other parties as the CRO and/or the Monitor may arrange. All meetings with management will be convened in the presence of a representative of the Monitor;

- Prospective investors shall be required to identify all material terms of their proposed investment to permit evaluation of such proposal but will not be required to submit the terms and structure of their proposed investment in a predetermined prescribed format;
- Parties interested in acquiring assets will be able to refer to a template asset purchase agreement (“APA”) that will be posted in the data room. The form and substance of the APA shall be approved by the DIP Lender prior to it being posted by the Monitor in the data room. Interested Parties will be encouraged to submit offers substantially in the form of the APA, with any changes black-lined against the APA;
- Interested Parties will be entitled to submit offers for IMSG’s businesses and assets on an individual/divisional basis or *en bloc*. Subject to the value of the consideration to be paid, preference will be given to *en bloc* offers;
- The deadline for submission of offers (“Offer Deadline”) will be 5:00 pm EST on the 60<sup>th</sup> day from the date of the SIP Order;
- Offers are to be submitted to the Monitor with a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Monitor) or such other form of deposit as is acceptable to the Monitor, payable to the order of the Monitor, in trust, in an amount equal to 10% of the purchase price or investment amount. Offers are to be supported by evidence, satisfactory to the CRO and the Monitor, of financing sufficient to close a transaction within the timelines detailed in these procedures. All offers are to be irrevocable until 120 days after the date of the SIP Order;
- The CRO and the Monitor will evaluate the offers and may seek clarifications and/or a re-bidding of certain offers. Copies of all offers received shall be provided to the DIP Lender on a confidential basis provided that the DIP Lender is not a bidder in the SIP;
- IMSG’s senior management, Canadian Imperial Bank of Commerce (“CIBC”), in its capacity as secured creditor, and the DIP Lender (or any of its affiliates), along with their respective legal counsel, will be consulted on a timely basis during the different phases of the SIP provided that they confirm to the Monitor that they are not bidders in the SIP. Only High level, directional updates may be provided to these parties if they do not confirm that they are not a bidder; and
- Upon completion of definitive documentation, the Monitor will apply to the Court for an order approving one or more offers (“Transaction”), with a transaction projected to be completed as soon as possible following approval of the Transaction by the Court. The Monitor will provide its recommendation to the Court with respect to the Transaction.

Other attributes of the SIP:

- The CRO, with the approval of the Monitor, shall have the right to extend by up to three weeks any deadline in the SIP in order to facilitate the SIP. Further

extensions will require Court approval;

- IMMSG's management and employees are required to assist and support the efforts of the CRO and the Monitor as provided for herein;
- Any transaction will be consistent with insolvency principles, including without material representations and warranties and shall be on an "as is, where is" basis;
- The CRO, with the prior approval of the Monitor, and after consultation with the DIP Lender (provided it is not a bidder), reserves the right to accept one or more offers on behalf of IMMSG and to take such steps as are necessary to finalize and complete an APA or investment agreement or to continue negotiations with a selected number of Interested Parties with a view to finalizing an agreement(s) with one or more of them;
- The CRO, with the approval of the Monitor, and after consultation with the DIP Lender, shall be under no obligation to accept the highest offer, the best offer, or any offer, and the selection of any offer(s) shall be at the discretion of the CRO and the Monitor, after consultation with the DIP Lender (provided it is not a bidder);
- Acceptance of any transaction is subject to the approval of the Court, and the US Bankruptcy Court for the District of Delaware in IMMSG's proceedings under Chapter 15 of the US Bankruptcy Code, if necessary. Neither IMMSG nor the Monitor shall be bound by the terms of any transaction(s) until approval of the courts is obtained;
- The CRO and the Monitor may consider transactions involving a restructuring or investment in IMMSG if, in the opinion of the CRO and the Monitor, the resulting transaction is in the best interests of IMMSG and maximizes value for the benefit of its stakeholders and such transactions are in form and substance acceptable to the DIP Lender;
- The CRO and the Monitor reserve the right to apply to the Court at any time to modify or terminate the SIP if they consider it appropriate in the circumstances or to apply to the Court for advice and directions with respect to the discharge of their powers and duties hereunder; and
- The CRO and the Monitor may, after consultation with the DIP Lender, extend the period between execution of an APA and Court approval of a transaction should the successful bidder require time to obtain regulatory approvals.

#### SUMMARY TIMELINE OF IMPORTANT DATES

<b>Sale Process Procedures</b>	<b>Date</b>
Court approval of Sale Process	Day 1
Begin marketing to Interested Parties	Days 2-60
Begin distributing CIM and access to on-line data room	Days 2-60
Management presentations and site visits for select Interested Parties	Days 14-60
Offer Deadline	Day 60
Clarification of offers and re-bidding, if applicable	Days 61-75
Execution of APA	Day 75
Court approval of Transaction(s)	Day 85
Closing(s)	Day 90

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 IMARKETING SOLUTIONS  
GROUP INC. and the Companies referred to in Schedule "A"

Court File No.: CV-13-100067-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AMENDED ORDER  
(Stay Extension and SIP Approval)

Thornton Grout Finnigan LLP  
Barristers and Solicitors  
100 Wellington Street West  
Suite 3200  
Toronto, Ontario M5K 1K7

Robert I. Thornton (LSUC# 24266B)  
E-mail: [rthornton@tgf.ca](mailto:rthornton@tgf.ca)  
Danny M. Nunes (LSUC# 53802D)  
E-mail: [dnunes@tgf.ca](mailto:dnunes@tgf.ca)  
Sandra Reid (LSUC# 62351A)  
E-mail: [sreid@tgf.ca](mailto:sreid@tgf.ca)

Tel: 416-304-1616  
Fax: 416-304-1313

Lawyers for the Applicants



IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED  
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF iMARKETING GROUP SOLUTIONS  
INC. and those Companies referred to on Schedule "A"

Court File No.: CV-13-10067-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AFFIDAVIT OF ANDREW LANGHORNE  
Sworn July 29, 2013

**Thornton Grout Finnigan LLP**  
Barristers and Solicitors  
100 Wellington Street West  
Suite 3200  
Toronto, Ontario M5K 1K7

**Robert I. Thornton** (LSUC# 24266B)  
E-mail: [rthornton@igf.ca](mailto:rthornton@igf.ca)  
**Danny M. Nunes** (LSUC# 53802D)  
E-mail: [dnunes@tgf.ca](mailto:dnunes@tgf.ca)

Tel: 416-304-1616  
Fax: 416-304-1313

Lawyers for the Applicants

## **TAB 3**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE ) FRIDAY, THE 2<sup>nd</sup>  
JUSTICE ) DAY OF AUGUST, 2013

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 **iMARKETING SOLUTIONS GROUP  
INC.** and the Companies referred to in Schedule "A"

Applicants

**ORDER  
(Stay Extension)**

**THIS MOTION**, made by the Applicants for the relief sought in the Notice of Motion herein dated July 29, 2013, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the affidavit of Andrew Langhorne sworn July 29, 2013, and the Exhibits thereto and the Third Report of Duff & Phelps Canada Restructuring Inc. (the "**Monitor**") dated July 29, 2013 (the "**Third Report**"), and on hearing the submissions of counsel for the Applicants and counsel for the Monitor, no one else appearing although duly served as appears from the affidavit of service of July 29, 2013.

**SERVICE**

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

**APPROVAL OF THE THIRD REPORT AND THE MONITOR'S ACTIVITIES**

2. **THIS COURT ORDERS** that the Third Report and the actions and activities of the Monitor as described therein be and they are hereby approved.

**STAY EXTENSION**

3. **THIS COURT ORDERS** that the Stay Period, as defined in paragraph 15 of the Order of the Honourable Mr. Justice Newbould dated April 12, 2013, be and is hereby extended to and including October 4, 2013.

---

**Schedule "A"**

**List of Applicants**

iMarketing Solutions Group Inc.

The Responsive Marketing Group Inc.

GWE Consulting Group (USA) Inc.

Direct Contact Strategies Inc.

Front Line Support Inc.

iMark Events Inc.

RMG General Partner Inc.

Cabot Call Centre Inc.

Engage Interactive Inc.

RMG Smiths Falls LP

RMG Thunder Bay LP

MLHL Marketing Inc.

MLHL Marketing LP

Xentel Inc. (Delaware)

Wellesley Corporation Inc. (Delaware)

US Billing Inc. (Delaware)

American Graphics & Design Inc. (Wisconsin)

Courtesy Health Watch Inc. (Delaware)

Target Outreach Inc. (Nevada)

Engage Funding Inc. (Delaware)

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 IMARKETING GROUP SOLUTIONS  
INC. and those Companies referred to on Schedule "A"

Court File No.: CV-13-10067-00CL

*ONTARIO*  
**SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at **Toronto**

**ORDER**  
(Stay Extension)

**Thornton Grout Finnigan LLP**  
Barristers and Solicitors  
100 Wellington Street West  
Suite 3200  
Toronto, Ontario M5K 1K7

**Robert I. Thornton** (LSUC# 24266B)  
E-mail: [rthornton@tgf.ca](mailto:rthornton@tgf.ca)  
**Danny M. Nunes** (LSUC# 53802D)  
E-mail: [dnunes@tgf.ca](mailto:dnunes@tgf.ca)

Tel: 416-304-1616  
Fax: 416-304-1313

Lawyers for the Applicants

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED  
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF iMARKETING GROUP SOLUTIONS  
INC. and those Companies referred to on Schedule "A"

Court File No.: CV-13-10067-00CL

*ONTARIO*  
**SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at **Toronto**

**MOTION RECORD**  
**Returnable August 2, 2013**

**Thornton Grout Finnigan LLP**  
Barristers and Solicitors  
100 Wellington Street West  
Suite 3200  
Toronto, Ontario M5K 1K7

**Robert I. Thornton** (LSUC# 24266B)  
E-mail: [rthornton@tgf.ca](mailto:rthornton@tgf.ca)  
**Danny M. Nunes** (LSUC# 53802D)  
E-mail: [dnunes@tgf.ca](mailto:dnunes@tgf.ca)

Tel: 416-304-1616  
Fax: 416-304-1313

Lawyers for the Applicants