

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

B E T W E E N:

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
SANDVINE CORPORATION, SANDVINE HOLDINGS UK LIMITED, PROCERA
NETWORKS, INC., PROCERA HOLDING, INC. AND NEW PROCERA GP COMPANY

Applicants

FACTUM OF THE APPLICANTS

June 20, 2025

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Lawyers for the Applicants

PART I - NATURE OF THE APPLICATION

1. This motion is brought by Sandvine Corporation (“**Sandvine Canada**”), and the other applicant companies (collectively, the “**Applicants**”, and together with the partnership Procera II LP, the “**Sandvine Entities**”, and collectively with certain non-filing entities, “**Sandvine**” or the “**Company**”), in order to seek an extension of the Stay Period (as defined below) in these CCAA proceedings.

2. Sandvine was a Canadian application and network optimization company, whose technology facilitated internet access for hundreds of millions of people around the world. The primary purpose of the CCAA Proceedings was to conduct a Court-approved Sale and Investment Solicitation Process (the “**SISP**”), in order to secure a going-concern, value-maximizing solution for Sandvine and its stakeholders, while ensuring continuity of service to Sandvine’s customers.

3. This purpose has been fulfilled. The SISP has been completed, and the Stalking Horse Transaction Agreement was selected as the successful bid in the SISP and approved by the Court. The transactions contemplated by the Stalking Horse Purchase Agreement have since closed, and the restructured business has emerged as new entities under the AppLogic Networks umbrella (collectively, the “**NewCos**”).

4. Given the critical nature of Sandvine’s services, the Stalking Horse Transaction Agreement provided for the provision of certain services by Sandvine Canada and Procera US (collectively, the “**OldCos**”) to Sandvine’s customers located in jurisdictions which Sandvine had committed to exiting by the end of 2025 (as defined below, the “**Transition Customers**”). These services were to assist the Transition Customers with the discontinuance of Sandvine’s services in an orderly, responsible manner.

to be the successful bid, and on January 30, 2025, the Court granted the Assignment, Approval and Vesting Order, which among other things approved the Stalking Horse Transaction and the transactions contemplated therein (the “**Transactions**”). The Assignment, Approval, and Vesting Order also approved the Transition Services Agreement.³

10. On January 30, 2025, the Court also granted the Post-Closing Administration Order, which was designed to facilitate the continued operation of the Sandvine Entities following the closing of the Transactions, including with respect to their obligations under the Transition Services Agreement. The Post-Closing Administration Order therefore, among other things: (i) expanded the powers of the Monitor in order to ensure that the OldCos continued to operate and perform their obligations under the Transition Services Agreement and Stalking Horse Transaction Agreement, and to assist the OldCos in winding-down their business, and (ii) extended the Stay Period to June 30, 2025.⁴

B. Update on the CCAA Proceedings

(a) Completion of Restructuring

11. The Transactions closed on March 3, 2025. Following closing, the NewCos have been providing Transition Services to Sandvine to allow Sandvine to fulfill its obligations to the Transition Customers and Sandvine has been providing Transition Services to the NewCos pursuant to the Transition Services Agreement, all subject to the continuing oversight of the Monitor.⁵

³ Sullivan Affidavit at paras. 7-8.

⁴ Sullivan Affidavit at para. 9.

⁵ Sullivan Affidavit at para. 11.

Services Agreement previously approved by the Court¹⁷ and to continue the wind-down activities of the OldCos;¹⁸

- (b) the extension will allow the OldCos to complete the orderly exit from the Terminated Jurisdictions (with the sole exception of the Ongoing Business Compliance Monitoring Services, which will continue until the earlier of either December 31, 2026, or the date that the OldCos and NewCos mutually determine that the Ongoing Business Compliance Monitoring Services are not required for each Transition Customer);¹⁹
- (c) based on the amounts contained in the Administrative Expense Reserve and the Transition Services Fees Reserve, the Applicants will have sufficient cash reserves to continue their wind-down activities through the proposed extension of the Stay Period;²⁰
- (d) the Applicants have acted, and continue to act, in good faith and with due diligence in the CCAA Proceedings;²¹
- (e) no creditor will be prejudiced by the extension being sought;²² and

¹⁷ *Sandvine Corporation et al. (Re)*, [2025 CanLII 15118](#) (ONSC) at para. 16

¹⁸ Sullivan Affidavit at para. 32; Third Report of the Monitor dated June 20, 2025, at para. 4.0.2(c) [Third Report].

¹⁹ Third Report at para. 4.0.2(d); Sullivan Affidavit at para. 32.

²⁰ Sullivan Affidavit at para. 33; Third Report at para. 4.0.2(f). The Administrative Expense Reserve and the Transition Services Fees Reserve were provided for the Stalking Horse Transaction Agreement, in order to ensure that sufficient funds remain in the Applicants' estates post-closing to continue to administer the CCAA Proceedings and the Chapter 15 Proceedings and to provide for the Transition Services.

²¹ Sullivan Affidavit at para. 34; Third Report at para. 4.0.2(a).

²² Third Report at para. 4.0.2(b).

- (f) as of the date of the Third Report, neither the Applicants nor the Monitor are aware of any parties opposed to the extension.²³

22. The proposed extension of the Stay Period is in the best interests of the Applicants and their stakeholders and should be approved by the Court.

PART IV - NATURE OF THE ORDER SOUGHT

23. The Applicants therefore request that this court grant the proposed Stay Extension Order substantially in the form of the draft order attached at Tab 3 of the Motion Record.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 20th day of June, 2025:



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TO: THE ATTACHED SERVICE LIST

²³ Third Report at para. 4.0.2(e).

SCHEDULE “A”: LIST OF AUTHORITIES

1. *Sandvine Corporation et al. (Re)*, [2025 CanLII 15118](#) (ONSC)

SCHEDULE “B”
TEXT OF STATUTES, REGULATIONS & BY-LAWS

COMPANIES’ CREDITORS ARRANGEMENT ACT

R.S.C., 1985, c. C-36, as amended

Stays, etc. — initial application

11.02 (1) A court may, on an initial application in respect of a debtor company, make an order on any terms that it may impose, effective for the period that the court considers necessary, which period may not be more than 10 days,

- (a) staying, until otherwise ordered by the court, all proceedings taken or that might be taken in respect of the company under the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act*;
- (b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and
- (c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company.

Stays, etc. — other than initial application

(2) A court may, on an application in respect of a debtor company other than an initial application, make an order, on any terms that it may impose,

- (a) staying, until otherwise ordered by the court, for any period that the court considers necessary, all proceedings taken or that might be taken in respect of the company under an Act referred to in paragraph (1)(a);
- (b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and
- (c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company.

Burden of proof on application

(3) The court shall not make the order unless

- (a) the applicant satisfies the court that circumstances exist that make the order appropriate; and

(b) in the case of an order under subsection (2), the applicant also satisfies the court that the applicant has acted, and is acting, in good faith and with due diligence.

Restriction

(4) Orders doing anything referred to in subsection (1) or (2) may only be made under this section.

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PROCEEDING COMMENCED AT TORONTO

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