
**Fourteenth Report to Court of
Duff & Phelps Canada
Restructuring Inc. as CCAA
Monitor of Unique Broadband
Systems, Inc. and UBS Wireless
Services Inc.**

March 5, 2013

Contents

	Page
1.0 Introduction.....	1
1.1 Purposes of this Report.....	2
1.2 Currency	2
1.3 Restrictions	2
2.0 Background	3
3.0 Claims Process.....	3
3.1 Post-Filing Claim of Louis Mitrovich.....	3
4.0 Cash Flow	4
4.1 Receipts and Disbursements for the Period January 19, 2013 to February 22, 2013.....	4
4.2 Cash Flow for the Period ending June 28, 2013.....	4
5.0 Company's Request for an Extension	5
6.0 Overview of the Monitor's Activities	5
7.0 Conclusion and Recommendation	7
Appendices	Tab
Notice from counsel to Louis Mitrovich.....	A
Cash Flow Variance.....	B
Weekly Cash Flow Projection for the Period ending June 28, 2013	C

Court File No.: CV-11-9283-00CL

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF
UNIQUE BROADBAND SYSTEMS, INC.**

**FOURTEENTH REPORT OF DUFF & PHELPS CANADA RESTRUCTURING INC.
AS CCAA MONITOR OF
UNIQUE BROADBAND SYSTEMS, INC.
AND UBS WIRELESS SERVICES INC.**

March 5, 2013

1.0 Introduction

1. Pursuant to an order (“Initial Order”) of the Ontario Superior Court of Justice (Commercial List) (“Court”) made on July 5, 2011, Unique Broadband Systems, Inc. (“UBS”) and UBS Wireless Services Inc. (“Wireless”) (UBS and Wireless are jointly referred to as the “Company”) were granted protection under the *Companies’ Creditors Arrangement Act* (“CCAA”) and RSM Richter Inc. (“Richter”) was appointed as the monitor (“Monitor”).
2. Pursuant to a Court order made on December 12, 2011 (the “Substitution Order”), Duff & Phelps Canada Restructuring Inc. (“D&P”) was substituted in place of Richter as Monitor¹.
3. Pursuant to an order of the Court made on February 1, 2013, the Company’s stay of proceedings expires on March 11, 2013.

¹ On December 9, 2011, the assets used by Richter in its Toronto restructuring practice were acquired by D&P. Pursuant to the Substitution Order, D&P was substituted in place of Richter in certain ongoing mandates, including acting as Monitor in these proceedings. The licensed trustees/restructuring professionals overseeing this mandate prior to December 9, 2011, remain unchanged.

1.1 Purposes of this Report

1. The purposes of this report (“Report”) are to:
 - a) Provide background information about the Company and these CCAA proceedings;
 - b) Provide an update on the process to determine disputed claims filed against the Company pursuant to the claims process approved by a Court order made August 4, 2011 (“Claims Order”);
 - c) Report on the Company’s weekly cash flow projection for the period ending June 28, 2013 (“Cash Flow”); and
 - d) Recommend that this Honourable Court make an order:
 - Allowing the claim of Louis Mitrovich to be filed, notwithstanding that it was delivered after September 19, 2011, the claims bar date pursuant to the Claims Order (“Bar Date”);
 - Granting the Company’s request for an extension of the stay of proceedings from March 11, 2013, the date the current stay expires, to June 28, 2013; and
 - Approving the Monitor’s actions and activities, as described in this Report as well as the following reports previously filed by the Monitor: Eleventh Report to Court dated October 15, 2012; Supplement to the Eleventh Report dated November 5, 2012; Twelfth Report to Court dated January 30, 2013; Thirteenth Report to Court dated February 8, 2013; and Supplement to Thirteenth Report dated February 13, 2013.

1.2 Currency

1. Unless otherwise noted, all currency references in this Report are to Canadian dollars.

1.3 Restrictions

1. In preparing this Report, the Monitor has relied upon unaudited financial information prepared by the Company’s representatives, the Company’s books and records and discussions with its representatives. The Monitor has not performed an audit or other verification of such information. An examination of the Company’s financial forecasts as outlined in the *Canadian Institute of Chartered Accountants Handbook* has not been performed. Future oriented financial information relied upon in this Report is based on the Company’s representative’s assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Monitor has reviewed the assumptions underlying the cash flow projection provided in Appendix “C” and believes them to be reasonable.

2.0 Background

1. Background information concerning the Company is detailed in the affidavit of Robert Ulicki (the “Ulicki Affidavit”), a director of the Company, sworn July 4, 2011 and filed with the Company’s CCAA application materials. The Ulicki Affidavit details, *inter alia*, the Company’s history, financial position, litigation and interest in LOOK Communications Inc. (“Look”).
2. Additional information concerning the Company and these proceedings is provided in the proposed monitor’s report and the Monitor’s reports filed in these proceedings. Copies of these reports can be found on the Monitor’s website at: www.duffandphelps.com/restructuringcases.

3.0 Claims Process

1. As previously reported, Jolian Investments Limited and its principal, Gerald McGoey (together, “Jolian”), filed claims pursuant to the Claims Order against the Company totaling over \$10 million. Jolian’s claims represent the largest claims filed against the Company and relate to litigation commenced prior to these CCAA proceedings.
2. A trial was held from February 19, 2013 to March 1, 2013 to determine Jolian’s claims. The Court reserved its decision.
3. Any plan of compromise and arrangement (“Plan”) to be put forward by the Company will depend, to a large extent, on the determination of Jolian’s claims.

3.1 Post-Filing Claim of Louis Mitrovich

1. On February 19, 2013, Mr. Mitrovich delivered a claim of \$44,000 against the Company to the Monitor. Notice of the claim from counsel to Mr. Mitrovich is provided in Appendix “A”.
2. Mr. Mitrovich was a director of UBS from March, 2002 to July, 2010. His claim is in respect of indemnification for costs he incurred to respond to motions brought by Jolian and others following commencement of these proceedings.
3. As the Claims Order provides for a Bar Date, Mr. Mitrovich has requested that the Monitor waive strict compliance with the Claims Order and allow the claim to be filed.
4. The Monitor discussed the claim with UBS. Both the Monitor and the Company are of the view that there is no prejudice to other parties by the late filing of Mr. Mitrovich’s claim. The Monitor therefore respectfully recommends that the Court allow the claim to be filed and dealt with in accordance with the procedures set out in the Claims Order.

4.0 Cash Flow

4.1 Receipts and Disbursements for the Period January 19, 2013 to February 22, 2013

1. A comparison of the Company's budget to actual results for the period January 19, 2013 to February 22, 2013 is provided in Appendix "B".
2. As at February 22, 2013, the Company had \$4.8 million on hand, an overall positive variance of \$4 million. The positive variance is primarily due to the Company's sale of approximately half of its interest in Look to 2092390 Ontario Inc. ("2092390") for proceeds of approximately \$3.8 million, which had not been included in the budgeted results. The sale to 2092390 was approved by the Court on February 15, 2013.
3. The closing balance of \$4.8 million is prior to payment of accrued but unpaid professional fees totaling \$1.05 million as at January 31, 2013, including fees of approximately \$850,000 for services rendered in prior periods by the Company's counsel. The accrued fees of the Company's counsel, the Monitor and the Monitor's counsel are set out in the Cash Flow.
4. Other than the sale to 2092390, variances in the period principally relate to timing differences associated with HST recoveries and payment of professional fees.

4.2 Cash Flow for the Period ending June 28, 2013

1. The Cash Flow, together with Management's report on the cash-flow statement as required by Section 10(2)(b) of the CCAA, and the Monitor's report on the cash-flow statement as required by Section 23(1)(b) of the CCAA, are attached in Appendix "C". The Monitor has reviewed the Cash Flow and believes it to be reasonable.
2. The Cash Flow continues to reflect that the Company has limited receipts and disbursements, with the main disbursements relating to payroll, insurance and professional fees. With respect to professional fees, the Cash Flow includes estimates for, among other things, services rendered by each of the Company's counsel, the Monitor and its counsel in respect of the motions heard in February, 2013 for the sale of the Company's interest in Look to 2092390, Plans put forward by Niketo Co. Ltd. ("Niketo") and the trial to determine Jolian's claims.
3. The Company is projecting that it will have cash on hand of \$3 million as at June 28, 2013.

5.0 Company's Request for an Extension

1. The Company is seeking an extension of the stay of proceedings to June 28, 2013. The Monitor supports the Company's request for an extension of the stay of proceedings for the following reasons:
 - The Company is acting in good faith and with due diligence;
 - The proposed stay extension will allow the claims process and these proceedings to advance toward completion. In that regard, once a decision is rendered regarding Jolian's claims, the Company will have an opportunity to consider next steps to complete its restructuring; and
 - It should not prejudice any employee or creditor, as the Company is projected to have sufficient funds to pay post-filing services and supplies in the amounts contemplated by the Cash Flow.

6.0 Overview of the Monitor's Activities

1. Since January 30, 2013, the date of the Monitor's Twelfth Report to Court, the Monitor's activities have included, *inter alia*, the following:
 - a) Monitoring the Company's receipts and disbursements pursuant to the terms of the Initial Order;
 - b) Corresponding extensively with representatives of Gowling Lafleur Henderson LLP ("Gowlings"), the Company's legal counsel and Lax O'Sullivan Scott Lisus LLP ("Lax"), the Monitor's legal counsel, regarding a plan of compromise and arrangement sponsored by Niketo ("Niketo Plan");
 - c) Attending at Court on February 1, 2013, regarding Niketo's motion seeking Court approval to file the Niketo Plan;
 - d) Reviewing the endorsement and reasons of Justice Wilton-Siegel in connection with the dismissal of Niketo's motion;
 - e) Corresponding with representatives of Solmon Rothbart Goodman LLP, ("SRG") and McCarthy Tetrault LLP ("McCarthy"), counsel to Niketo, regarding other Plans to be presented by Niketo;
 - f) Corresponding on February 7, 12 13 and 19, 2013 with Andrew Kim, the principal of 2092390, regarding the Company's sale of approximately half of its interest in Look ("Sale");
 - g) Reviewing Niketo's motion materials, including two Plans, meeting order, exit loan agreement, backstop agreement, general security agreement and other schedules, in respect of a cross-motion heard February 13 and 14, 2013;

-
- h) Attending conference calls on February 11 and 12, 2013, with Justice Wilton-Siegel, Gowlings, Lax, SRG and McCarthy regarding the Company's motion for approval of the Sale and Niketo's cross-motion related to the two Plans;
 - i) Reviewing revised materials filed by Niketo, including the affidavits of John Zorbas and Robert F. Wilson;
 - j) Reviewing the affidavit of Robert Ulicki sworn February 12, 2013;
 - k) Reviewing facta filed by UBS and Niketo;
 - l) Attending at Court on February 13 and 14, 2013;
 - m) Reviewing Justice Wilton-Siegel's endorsement dated February 15, 2013;
 - n) Reviewing Niketo's motion materials seeking, among other things, a stay of the Court's order approving the Sale;
 - o) Reviewing the Company's responding materials;
 - p) Attending at the Court of Appeal on February 19, 2013;
 - q) Corresponding with the Company and Gowlings on February 19, 2013 regarding closing matters related to the Sale;
 - r) Reviewing the decision of the Court of Appeal related to Niketo's motion;
 - s) Reviewing and commenting on the Company's press release in connection with the Sale;
 - t) Corresponding with the Company related to receipt of the Sale proceeds;
 - u) Corresponding with Gowlings regarding the Jolian trial;
 - v) Reviewing the Company's bank statements;
 - w) Reviewing the Company's budget-to-actual cash flow reports;
 - x) Preparing the Thirteenth Report to Court dated February 8, 2013;
 - y) Preparing the Supplement to the Thirteenth Report dated February 13, 2013; and
 - z) Preparing this Report.

7.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court make an order granting the relief detailed in Section 1.1 (d) of this Report.

* * *

All of which is respectfully submitted,



Duff + Phelps Canada Restructuring Inc.

**DUFF & PHELPS CANADA RESTRUCTURING INC.
IN ITS CAPACITY AS COURT APPOINTED CCAA MONITOR OF
UNIQUE BROADBAND SYSTEMS, INC.
AND UBS WIRELESS SERVICES INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix "A"



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

Michael McGraw
Partner
Dir: 416-863-4247
michael.mcgraw@blakes.com

February 19, 2013

VIA EMAIL AND DELIVERED

Reference: 76656/3

Mitch Vininsky
Duff & Phelps
333 Bay Street, 14th Floor
Toronto, ON M5H 2R2

Dear Sir/Madam:

Re: Unique Broadband Systems, Inc. ("UBS")
Re: Post-Filing Proof of Claim of Louis Mitrovich

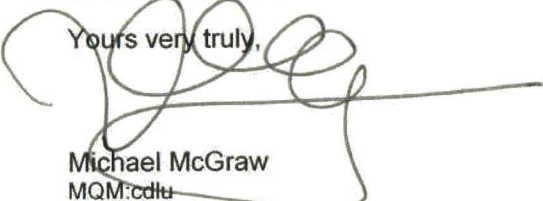
We are counsel for Louis Mitrovich, a creditor of UBS.

Please find enclosed a post-filing Proof of Claim filed on behalf of Mr. Mitrovich. Please note that as set out in the enclosed Proof of Claim, this represents the claim of Mr. Mitrovich as of January 31, 2013. As Mr. Mitrovich continues to incur costs which are properly payable under his indemnities, we will provide you with ongoing updates and amendments to his Proof of Claim as additional costs are incurred. We expressly reserve all of Mr. Mitrovich's rights and remedies, including to amend and resubmit his Proof of Claim as required and to seek additional advances.

Although this is a post-filing claim arising after the relevant dates set out in the Claims Bar Procedure Order dated August 4, 2011 (the "Order"), we have used the form provided under the Order and we request that, to the extent necessary, the Monitor waive strict compliance pursuant to paragraph 22 of the Order to receive this Proof of Claim.

If you have any questions or require additional information, please do not hesitate to contact me. Thank you for your assistance.

Yours very truly,



Michael McGraw
MQM:cdu
Encl

cc: Bobby Kofman, *Duff & Phelps*
Matthew Gottlieb, *Lax O'Sullivan*
Patrick Shea, *Gowlings*
Joe Thorne, *Gowlings*

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Appendix “B”

Unique Broadband Systems, Inc. and UBS Wireless Services Inc. Variance Analysis⁽¹⁾

For the period January 19, 2013 to February 22, 2013

(\$; Unaudited)



	CUMULATIVE			
	BUDGET	ACTUAL	VARIANCE	VARIANCE (%)
Receipts:				
HST recovery ⁽²⁾	24,912	-	(24,912)	-100%
Cash receipts ⁽³⁾	266	3,793,798	3,793,532	1427213%
Total cash receipts	25,177	3,793,798	3,768,621	14968%
Business Expenses:				
Payroll expenses ⁽⁴⁾	17,886	17,017	869	-5%
Consulting ⁽⁵⁾	5,650	5,650	-	0%
Automobile expenses	200	160	40	-20%
Group insurance	1,947	1,947	-	0%
Rent (Document storage costs)	475	1,270	(795)	167%
Office and general	1,537	1,146	391	-25%
Postage and delivery	200	-	200	-100%
Telephone	260	968	(708)	272%
Cellular	350	267	83	-24%
Bank charges	150	149	1	-1%
Equity Transfer/TSX (shareholder administration)	3,994	1,786	2,208	-55%
Audit fees ⁽⁶⁾	5,933	23,730	(17,798)	300%
Corporate tax return preparation / advice	21,416	19,933	1,483	-7%
Professional fees re restructuring proceedings ⁽⁷⁾	323,972	93,090	230,882	-71%
Miscellaneous expenses	1,232	1,456	(224)	18%
Total Business Expenses	385,202	168,569	216,632	56%
Opening cash balance	1,163,922	1,163,922	-	
Net cash flows	(360,024)	3,625,229	3,985,253	1107%
Cash Available for Disbursement	803,898	4,789,151	3,985,253	

Unique Broadband Systems, Inc. and UBS Wireless Services Inc.

Notes to Cash Flow Variance

For the period January 19, 2013 to February 22, 2013

(Unaudited)



Purpose and General Assumptions

1. The purpose of the report is to present a variance of the forecast of the cash flow of Unique Broadband Systems, Inc. ("UBS") and UBS Wireless Services Inc. ("UBS Wireless") (UBS and UBS Wireless are jointly referred to as the "Company") for the period January 19, 2013 to February 22, 2013 ("Period") in respect of its proceedings pursuant to the Companies' Creditors Arrangement Act.

The cash flow variance has been prepared by the Company.

Specific Assumptions

2. Relates to Harmonized Sales Tax refunds that the Company anticipated receiving from Canada Revenue Agency during the Period. The difference is due to timing.
3. Relates to the sale of approximately half of UBS Wireless's interest in LOOK Communications Inc. for proceeds of approximately \$3.8 million.
4. Includes gross salaries, benefits and government remittances for two employees.
5. Includes payments for contract employees.
6. Relates to instalments to be paid to the Company's auditors for public company purposes.
7. Professional fees related to the restructuring proceedings, including the fees of the Monitor and its legal counsel, Lax O'Sullivan Scott Lisus LLP and Davies Ward Phillips & Vineberg LLP, legal counsel for the Company's Board of Directors, Wardle Daley LLP, and for the Company's legal counsel, Gowling Lafleur Henderson LLP. The variance to budget was mainly due to the timing of payments.

Appendix “C”

Unique Broadband Systems, Inc. and UBS Wireless Services Inc.

Projected Statement of Cash Flows⁽¹⁾

For the Period February 23, 2013 to June 28, 2013

(\$: Unaudited)



	Week Ending														TOTAL				
	1-Mar	8-Mar	15-Mar	22-Mar	29-Mar	5-Apr	12-Apr	19-Apr	26-Apr	3-May	10-May	17-May	24-May	31-May		7-Jun	14-Jun	21-Jun	28-Jun
Receipts:																			
HST recovery ⁽¹⁾	-	62,945	-	42,034	-	-	-	-	79,855	-	-	-	-	69,897	-	-	-	-	254,730
Miscellaneous cash receipts	1,929	-	-	332	332	4,826	-	-	-	4,671	-	-	-	4,826	-	-	-	-	16,585
Total Receipts	1,929	62,945	42,034	42,034	332	4,826	-	-	79,855	4,671	-	-	-	74,723	-	-	-	-	271,314
Disbursements:																			
Payroll expenses ⁽³⁾	-	5,962	-	5,962	-	5,962	-	5,962	-	5,962	-	5,962	-	5,962	-	5,962	-	5,962	53,658
Consulting ⁽⁴⁾	2,825	-	2,825	-	-	2,825	-	2,825	-	2,825	-	2,825	-	2,825	-	2,825	-	2,825	22,600
Automobile expenses	-	200	-	-	-	200	-	-	-	200	-	-	-	200	-	-	-	-	800
Group insurance	1,947	-	-	1,947	-	-	-	-	1,947	-	-	-	-	1,947	-	-	-	1,947	9,735
Rent (storage)	-	475	-	-	-	475	-	-	475	-	-	-	-	475	-	-	-	-	1,900
Office and general	250	346	250	346	250	346	250	346	250	346	250	346	250	346	250	346	250	346	5,364
Postage and delivery	-	100	-	-	-	100	-	-	-	200	-	-	-	100	-	-	-	-	600
Telephone	260	-	-	-	-	260	-	-	-	260	-	-	-	260	-	-	-	-	1,040
Cellular	-	-	-	-	175	-	-	-	175	-	-	-	-	-	-	-	-	-	525
Bank charges	150	-	-	-	-	150	-	-	-	150	-	-	-	150	-	-	-	-	600
Equity Transfer/TSX (shareholder administration)	-	-	-	850	-	-	-	850	-	-	-	-	-	850	-	-	-	850	3,400
Audit fees / quarterly reporting ⁽⁵⁾	-	-	-	-	-	-	-	-	5,933	-	-	-	-	-	-	-	-	-	5,933
Director fees ⁽⁶⁾	26,640	-	-	-	-	15,000	-	-	-	-	-	-	-	-	-	-	-	-	68,280
Professional fees re restructuring proceedings ⁽⁷⁾	230,882	-	-	211,286	215,022	-	-	-	172,091	400,000	-	-	70,000	400,000	-	-	70,000	50,000	1,819,281
Miscellaneous expenses	-	744	-	244	-	744	-	244	-	244	-	-	-	244	-	-	-	244	4,196
Total Disbursements	262,954	7,827	3,075	218,688	217,394	26,062	250	10,227	180,396	410,462	950	10,227	72,197	436,267	1,860	6,552	75,872	56,652	1,997,912
Opening cash balance ⁽⁸⁾	4,789,151	4,528,126	4,583,244	4,580,169	4,403,515	4,186,453	4,165,217	4,164,967	4,154,740	4,054,199	3,648,407	3,647,457	3,637,230	3,565,033	3,203,489	3,201,629	3,195,077	3,119,205	4,789,151
Net cash flows	(261,025)	55,118	(3,075)	(176,654)	(217,062)	(21,236)	(250)	(10,227)	(100,541)	(405,791)	(950)	(10,227)	(72,197)	(361,544)	(1,860)	(6,552)	(75,872)	(56,652)	(1,726,598)
Cash Available for Disbursement	4,528,126	4,583,244	4,580,169	4,403,515	4,186,453	4,165,217	4,164,967	4,154,740	4,054,199	3,648,407	3,647,457	3,637,230	3,565,033	3,203,489	3,201,629	3,195,077	3,119,205	3,062,553	3,062,553

Please note that this cash flow statement has been prepared on a cash basis and therefore includes costs and expenses incurred outside of the cash flow period, including professional fees.

*Professional fees re restructuring proceedings include the actual accounts payable, including Gowings, for January and February, 2013, and estimates for March 1, 2013 onward. Gowings LLP fees include services rendered to prepare for and conduct the trial to determine Jolian's claims as well as motions related to the sale of the shares of LOOK Communications Inc. and responding to motions by Niketo Co., Ltd. Details of professional fees are summarized as follows:

	Estimated monthly unpaid expenses						Payments included in Projected Statement of Cash Flows						Closing Balance 28-Jun-13
	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	
Davies Ward Phillips & Vineberg LLP	-	2,136	-	-	-	-	-	-	(2,136)	-	-	-	-
Duff & Phelps Canada Restructuring Inc.	-	116,350	74,867	40,000	40,000	50,000	50,000	-	(116,350)	(74,867)	(40,000)	(40,000)	100,000
Gowling Lafleur Henderson LLP	445,904	400,000	400,000	50,000	50,000	75,000	50,000	(230,882)	(215,022)	(400,000)	(400,000)	(50,000)	175,000
Lax O'Sullivan Scott Lisus LLP	-	92,800	97,224	30,000	30,000	40,000	40,000	-	(92,800)	(97,224)	(30,000)	(30,000)	80,000
	445,904	611,286	572,091	120,000	120,000	165,000	140,000	(230,882)	(426,308)	(572,091)	(470,000)	(120,000)	355,000

Notes to Projected Statement of Cash Flows

For the Period February 23, 2013 to June 28, 2013

(Unaudited)



Purpose and General Assumptions

1. The purpose of the projection is to present the forecast of the cash flow of Unique Broadband Systems, Inc. ("UBS") and UBS Wireless Services Inc. ("UBS Wireless") (UBS and UBS Wireless are jointly referred to as the "Company") for the period February 23, 2013 to June 28, 2013 ("Period") in respect of its proceedings pursuant to the *Companies' Creditors Arrangement Act*.

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

Specific Assumptions

2. Relates to Harmonized Sales Tax refunds that the Company anticipates receiving from Canada Revenue Agency during the Period.
3. Includes gross salaries, benefits and government remittances for two employees.
4. Includes payments for contract employees.
5. Payment to the Company's auditors for public company purposes.
6. Fees are paid once per quarter to the Company's three directors.
7. Professional fees related to the restructuring proceedings, including the fees of the Monitor and its legal counsel, Lax O'Sullivan Scott Lisus LLP and Davies Ward Phillips & Vineberg LLP, and for the Company's legal counsel, Gowling Lafleur Henderson LLP. Certain professional fees projected to be paid in the cash flow period relate to a prior period. Certain professional fees, which are incurred during the projection period, will be paid subsequent to the projection period.
8. The opening cash balance includes cash-on-hand and cash equivalents, as at February 23, 2013, and excludes a \$50,000 cash deposit held as security in respect of the Company's corporate credit card.

**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
UNIQUE BROADBAND SYSTEMS, INC. AND
UBS WIRELESS SERVICES INC.**

**MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)**

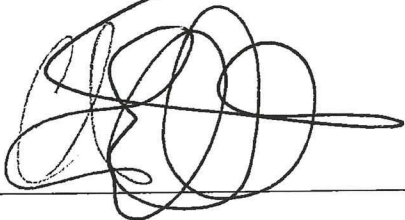
The management of Unique Broadband Systems, Inc. and UBS Wireless Services Inc. (jointly the "Company") has developed the assumptions and prepared the attached statement of projected cash flow as of the 5th day of March, 2013 for the period February 23, 2013 to June 28, 2013 ("Cash Flow").

The hypothetical assumptions are reasonable and consistent with the purpose of the Cash Flow as described in Note 1 to the Cash Flow, and the probable assumptions are suitably supported and consistent with the plans of the Company and provide a reasonable basis for the Cash Flow. All such assumptions are disclosed in Notes 2 to 8.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow has been prepared solely for the purpose outlined in Note 1, using a set of hypothetical and probable assumptions set out in Notes 2 to 8. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at Toronto, Ontario this 5th day of March, 2013.

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right. The signature is written over a thin horizontal line.

Fraser Elliott, Chief Financial Officer
Unique Broadband Systems, Inc. and UBS Wireless Services Inc.

**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
UNIQUE BROADBAND SYSTEMS, INC.
AND UBS WIRELESS SERVICES INC.**

**MONITORS' REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)**

The attached statement of projected cash-flow of Unique Broadband Systems Inc. and UBS Wireless Services Inc. (jointly "Company"), as of the 5th day March, 2013, consisting of a weekly projected cash flow statement for the period February 23, 2013, to June 28, 2013 ("Cash Flow") has been prepared by the management of the Company for the purpose described in Note 1, using the probable and hypothetical assumptions set out in Notes 2 to 8.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied by the management and employees of the Company. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow;
- b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Company or do not provide a reasonable basis for the Cash Flow, given the hypothetical assumptions; or
- c) the Cash Flow does not reflect the probable and hypothetical assumptions.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto this 5th day of March, 2013.

Duff + Phelps Canada Restructuring Inc.

**DUFF & PHELPS CANADA RESTRUCTURING INC.
IN ITS CAPACITY AS COURT-APPOINTED CCAA MONITOR OF
UNIQUE BROADBAND SERVICES, INC. AND UBS WIRELESS SERVICES INC.
AND NOT IN ITS PERSONAL CAPACITY**