

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

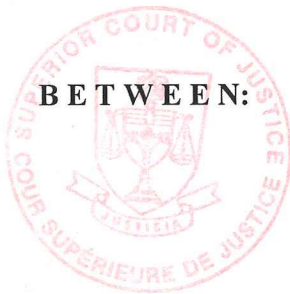
THE HONOURABLE MR.

JUSTICE MORAWETZ

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FRIDAY, THE 22ND

DAY OF NOVEMBER, 2013



BETWEEN:

CALLIDUS CAPITAL CORPORATION

Applicant

- and -

**XCHANGE TECHNOLOGY GROUP LLC, IT XCHANGE FINANCIAL SERVICES
LLC, IT XCHANGE CORP., BLUERANGE TECHNOLOGY CORP.,
BLUERANGE TECHNOLOGY INC., PARTSTOCK COMPUTER LLC AND
IT XCHANGE INC.**

Respondents

A handwritten signature in blue ink, appearing to be "DP", is written over a circular stamp.

APPROVAL AND VESTING ORDER

THIS MOTION, made by Duff & Phelps Canada Restructuring Inc. ("**Duff & Phelps**" or the "**Receiver**") in its capacity as Court-appointed receiver over all of the property, assets and undertakings of the Respondents (collectively, the "**XTG Debtors**"), for an order approving the sale transaction (the "**Transaction**") contemplated by an Asset Purchase Agreement dated October 25, 2013 (the "**Sale Agreement**") between the Receiver and 2393134 Ontario Inc., (the "**Purchaser**") and vesting in the Purchaser or its nominees the right, title and interest of the

XTG Debtors in and to the Purchased Assets as described in the Sale Agreement, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated November 19, 2013, and on hearing the submissions of counsel for the Receiver, Callidus Capital Corporation, the Purchaser, and Jeffrey McFarlane, no one else appearing for any other person on the service list, although properly served as appears from the Affidavit of Mary Gartland sworn November 20, 2013, filed.

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

2. **THIS COURT ORDERS AND DECLARES** that the Transaction ^{was received in the Sales Process} is hereby approved ^{as no Superior Bid} and that the Sale Agreement is commercially reasonable. ~~The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser or its nominees or assignees~~

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's Certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the right, title and interest of the XTG Debtors in and to the Purchased Assets shall vest absolutely in the Purchaser, its nominees or assignees named in the Receiver's Certificate, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Morawetz dated October 29, 2013 (ii) and all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the

"Encumbrances) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

5. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the XTG Debtors' past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the XTG Debtors.

6. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the XTG Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the XTG Debtors;

the vesting of the Purchased Assets in the Purchaser, its nominees or assignees pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the XTG Debtors and shall not be void or voidable by creditors of the XTG Debtors, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

NOV 22 2013



Schedule A – Form of Receiver’s Certificate

Court File No. CV-13-10310-00CL

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

B E T W E E N:

CALLIDUS CAPITAL CORPORATION

Applicant

- and -

**XCHANGE TECHNOLOGY GROUP LLC, IT XCHANGE FINANCIAL SERVICES
LLC, IT XCHANGE CORP., BLUERANGE TECHNOLOGY CORP.,
BLUERANGE TECHNOLOGY INC., PARTSTOCK COMPUTER LLC AND
IT XCHANGE INC.**

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Morawetz of the Ontario Superior Court of Justice (the "Court") dated October 29, 2013, Duff & Phelps Canada Restructuring Inc. was appointed as the receiver (the "Receiver") of all of the property, assets and undertakings of the Respondents (collectively, the **“XTG Debtors”**).

B. Pursuant to an Order of the Court dated November 22, 2013, the Court approved the Asset Purchase Agreement dated October 25, 2013 (the **“Sale Agreement”**) between the Receiver and 2393134 Ontario Inc. (the **“Purchaser”**), and provided for the vesting in the Purchaser, its nominees or assignees of the Debtors’ right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the

delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; (iii) the names of the entities in which the Purchased Assets are to be conveyed and vested; and (iv) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser, its nominees or assignees has/have paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser, its nominees or assignees;
3. The Purchased Assets are to be conveyed to and vested in, the following nominees or assignees of the Purchaser:

[TO BE COMPLETED]

4. The Transaction has been completed to the satisfaction of the Receiver.
5. This Certificate was delivered by the Receiver at [TIME] on _____ [DATE].

**DUFF & PHELPS CANADA
RESTRUCTURING INC., in its capacity as
Court-appointed Receiver over all of the
property, assets and undertakings of the
Respondents, and not in its personal capacity**

Per: _____

Name:

Title:

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceedings commenced at TORONTO

APPROVAL AND VESTING ORDER

CHAITONS LLP
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**Lawyers for Duff & Phelps Canada
Restructuring Inc., in its capacity as court-
appointed Receiver of the Respondents**