UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re:

Chapter 15

Xchange Technology Group LLC, et al. 1,

Case No. 13-12809 (KG)

Debtors in a Foreign Proceeding.

(Jointly Administered)

Ref. Docket No. 26

ORDER PURSUANT TO SECTIONS 105(A), 363, 1501,
AND 1521 OF THE BANKRUPTCY CODE, AND BANKRUPTCY RULES 2002, 6004,
AND 9014, FOR ENTRY OF AN ORDER (I) RECOGNIZING AND ENFORCING THE
APPROVAL ORDER AND VESTING ORDER, (II) AUTHORIZING THE SALE OF
SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS FREE AND CLEAR OF ANY
AND ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS,
(III) AUTHORIZING ASSIGNMENT OF CERTAIN EXECUTORY
CONTRACTS AND UNEXPIRED LEASES, AND (IV) GRANTING RELATED RELIEF

Upon consideration of the Motion (the "Motion")² of Duff & Phelps Canada Restructuring Inc., in its capacity as the court-appointed receiver and authorized foreign representative (the "Receiver") for the above-captioned debtors (collectively, the "Debtors") in the proceeding (the "Canadian Proceeding") commenced under Canada's Bankruptcy and Insolvency Act (Canada), R.S.C. 1985, c. B-3, as amended, and pending before the Ontario Superior Court of Justice, Commercial List (the "Canadian Court"), for the entry of an order, pursuant to sections 105(a), 363(b), (f), (m), and (n), 1501, and 1521 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 6004-1 of the Local Rules of

The last four digits of the United States Tax Identification Number, or similar foreign identification number, as applicable, follow in parentheses: Xchange Technology Group LLC (9024); BlueRange Technology Corp. (0843); BlueRange Technology Inc. (84663 1695); IT Xchange Corp. (8738); IT Xchange Financial Services LLC (3557); IT Xchange Inc. (89168 2031); and Partstock Computer LLC (9157).

Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware (the "Local Rules"): (a) recognizing and enforcing paragraphs 4-5 of the Receivership Order (as defined below) (such paragraphs in the Receivership Order, the "Approval Order") and the Vesting Order, pursuant to which the Canadian Court will have authorized the sale and transfer (the "Sale") by the Receiver of the Debtors' right, title, and interest in and to substantially all of the Debtors' assets (collectively, the "Purchased Assets") to 2393134 Ontario Inc., or such other purchaser that has submitted a Superior Offer (as defined in that certain Asset Purchase Agreement (the "Purchase Agreement"), by and between the Receiver and 2393134 Ontario Inc., an entity wholly owned by Callidus Capital Corporation (the "Purchaser"), dated October 25, 2013, a copy of which is attached hereto as Exhibit B), free and clear of all claims, liabilities and encumbrances, except as set forth in the Purchase Agreement; (b) authorizing, pursuant to section 363 of the Bankruptcy Code, the Sale of the Debtors' right, title, and interest in and to the Purchased Assets to the Purchaser, free and clear of all Interests (as defined in the U.S. Sale Order), except as otherwise provided in the Purchase Agreement; (c) authorizing and approving, to the extent provided for in the Vesting Order, the assignment of the Assumed Contracts (as defined in the Purchase Agreement); and (d) granting certain related relief; and this Court having entered the Order Granting Recognition of Foreign Nonmain Proceeding and Certain Related Relief (the "Recognition Order"); and upon the Receiver's Report and such other reports that have been filed by the Receiver in connection with the Sale Process and Sale [Docket No. 37]; and all parties in interest having been heard, or having had the opportunity to be heard, regarding the recognition and enforcement of the Approval Order and the Vesting Order and the approval of the Purchase Agreement and transactions contemplated thereby; and the Canadian Court having entered the Approval Order and Vesting Order; and this Court having reviewed and

considered the Motion, and the arguments of counsel made, and the evidence adduced, at a hearing before this Court (the "Sale Hearing"); and upon the record of the Sale Hearing and these chapter 15 cases, and after due deliberation thereon, and good cause appearing therefor, and in accordance with Rule 7052 of the Bankruptcy Rules, it is hereby

FOUND AND DETERMINED THAT:

- A. The Canadian Court has duly entered the Approval Order and Vesting Order: (i) approving and authorizing the Vendor's execution of the Purchase Agreement and consummation of the sale of the Purchased Assets and the assignment of the Assumed Contracts free and clear of all Interests; and (ii) requesting aid and recognition from this Court to give effect to the Approval Order and Vesting Order.
- B. This Court has jurisdiction and authority to hear and determine the Motion pursuant to 28 U.S.C. §§ 1334 and 157(b). Venue of these chapter 15 cases and the Motion in this Court and this District is proper under 28 U.S.C. § 1410.
- C. Based on the affidavits of service filed with, and representations made to, this Court: (i) notice of the Motion, the Sale Hearing, and the Sale was proper, timely, adequate, and sufficient under the circumstances of these Chapter 15 Cases and these proceedings and complied with the various applicable requirements of the Bankruptcy Code and the Bankruptcy Rules; and (ii) no other or further notice of the Motion, the Sale Hearing, the Sale, or the entry of the U.S. Sale Order is necessary or shall be required.
- D. The Receiver provided a reasonable opportunity to object and be heard with respect to the Sale, the Motion, and the relief requested therein to the necessary parties in interest, including the following: (i) all known creditors of the Debtors or holders of Interests; (ii) all parties to litigation pending in the United States in which the Debtors are a party as of the

Petition Date; (iii) the Office of the United States Trustee for the District of Delaware; (iv) the United States Attorney's Office for the District of Delaware; (v) the Internal Revenue Service; (vi) the United States Department of Justice; (vii) counsel for the Purchaser; (viii) counsel to Callidus; (ix) all persons or entities known to have liens on the Purchased Assets; (x) all counterparties to the Assumed Contracts; (xi) all parties that expressed an interest in the Debtors as a result of the prepetition marketing process employed by Cannaccord and KPMG; and (xii) all other persons to whom notice is required pursuant to this Court's *Order Specifying Form and Manner of Service of Notice* [Docket No. 18].

- E. The U.S. Sale Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a).
- F. The relief granted herein is necessary and appropriate, is in the interest of the public, promotes international comity, is consistent with the public policy of the United States, is warranted pursuant to sections 105(a), 363(b), (f), (m), and (n), 1501, and 1521 of the Bankruptcy Code, and will not cause any hardship to any parties in interest that is not outweighed by the benefits of the relief granted.
- G. The Vesting Order provides for the assignment of the Assumed Contracts, as permitted under the Bankruptcy and Insolvency Act, and such provisions of the Bankruptcy and Insolvency Act are consistent with section 365(f) of the Bankruptcy Code. As such, enforcement in the United States of the assignment of the Assumed Contracts to the Purchaser does not present any public policy conflict or any issue concerning protection of the interests of the parties to the Assumed Contracts that would prevent this Court from entering the U.S. Sale Order.

- H. Based on information contained in the Receiver's Report and the Boyer Affidavit, the Debtors, through its financial advisor, conducted a prepetition marketing process to solicit interest in refinancing the Debtors' secured obligations. The Canadian Court found that the prepetition marketing process was sufficient and appropriate under the circumstances to support approval of the Sale pursuant to the terms of the Purchase Agreement and entered the Approval Order.
- I. The Receiver has recommended the Sale in accordance with the Purchase Agreement, including the assignment of the Assumed Contracts. The Purchaser is able and has agreed to assume and perform the obligations of the Debtors under the Assumed Contracts in accordance with their terms, including the payment of arrears in accordance with the Purchase Agreement and it is appropriate that the Purchased Assets, including the Assumed Contracts, be transferred, assigned, and vested in the Purchaser.
- J. The consideration provided by the Purchaser for the Purchased Assets is the highest or otherwise best offer.
- K. The Purchase Price constitutes fair consideration and reasonably equivalent value for the Purchased Assets under the Bankruptcy Code, the Uniform Fraudulent Transfer Act, the Uniform Fraudulent Conveyance Act, and the laws of the United States, any state, territory, possession thereof, or the District of Columbia.
- L. No bulk sales law or any similar law of any state or other jurisdiction shall apply in any way to the Sale.
- M. Time is of the essence in consummating the Sale. To maximize the value of the Purchased Assets, it is essential that the Sale occur promptly. Accordingly, there is cause to waive the stay that would otherwise be applicable under Bankruptcy Rule 6004.

- N. Based upon information contained in the Receiver's Report and the Boyer Affidavit, the negotiations over the terms of the Purchase Agreement were conducted fairly, in good faith, and without collusion, and thus the Purchaser has acted in good faith within the meaning of section 363(m) of the Bankruptcy Code, and neither the Receiver nor the Purchaser engaged in any conduct that would cause or permit the Purchase Agreement or the consummation of the Sale to be avoided, or costs or damages to be imposed, under section 363(n) of the Bankruptcy Code.
- O. Neither the Purchaser nor any of its affiliates or their respective representatives is an "insider" of any of the Debtors, as that term is defined in Bankruptcy Code section 101(31).
- P. The Purchase Agreement was not entered into for the purpose of hindering, delaying, or defrauding present or future creditors of the Debtors under the Bankruptcy Code or under the laws of the United States, any state, territory, possession thereof, or the District of Columbia.
- Q. The Receiver may sell the Purchased Assets free and clear of all Interests, to the extent provided in the Purchase Agreement, the Approval Order, the Vesting Order, and the U.S. Sale Order, because, with respect to each creditor asserting an Interest, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of Interests who did not object or who withdrew their objections to the Sale or the Motion are deemed to have consented to the Motion and Sale pursuant to Bankruptcy Code section 363(f)(2).
- R. The Purchaser would not have entered into the Purchase Agreement and would not consummate the transactions contemplated thereby, thus adversely affecting the

Debtors, their creditors, and other parties in interest if either: (i) the sale of the Purchased Assets to the Purchaser was not free and clear of all Interests, except as otherwise provided in the Purchase Agreement; or (ii) the Purchaser would, or in the future could, be liable for any of such Interests or any claims against the Debtors based upon successor or vicarious liability or otherwise, except as provided in Purchase Agreement.

- S. A sale of the Purchased Assets other than one free and clear of all Interests, except as otherwise provided in the Purchase Agreement, would yield substantially less value than the Sale; thus, the Sale free and clear of all Interests, in addition to all of the relief provided herein, is in the best interests of the Debtors, their creditors, and other parties in interest.
- T. All findings of fact and conclusions of law announced by this Court at the Sale Hearing are incorporated herein.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

- 1. The Motion is granted.
- 2. The Approval Order and Vesting Order, copies of which are annexed to the hereto as Exhibit 1 and Exhibit 2, respectively, are recognized in full and given full force and effect in the United States.
- 3. The Sale pursuant to the terms of the Purchase Agreement and the transfer and assignment of the Purchased Assets located within the United States is approved and authorized pursuant to sections 363 and 1521 of the Bankruptcy Code.
- 4. All objections to the entry of the U.S. Sale Order that have not been withdrawn, waived, or settled, or otherwise resolved pursuant to the terms hereof, are denied and overruled on the merits, with prejudice.

5. Pursuant to sections 105, 363, and 1521 of the Bankruptcy Code, and to the extent permitted by the Approval Order and the Vesting Order, each of the Debtors, the Purchaser, and the Receiver are authorized to take any and all actions necessary or appropriate to: (a) consummate the Sale of the Purchased Assets to the Purchaser in accordance with the Purchase Agreement, the Approval Order, the Vesting Order, and the U.S. Sale Order; and (b) perform, consummate, implement, and close fully the Purchase Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase Agreement and the Sale.

Transfer of the Purchased Assets

6. Pursuant to sections 105(a), 363(f), and 1521 of the Bankruptcy Code, and as provided for in the Approval Order, and the Vesting Order, upon delivery of the Receiver's Certificate to the Purchaser in accordance with the Vesting Order, the Purchased Assets shall absolutely vest, without further instrument of transfer or assignment, in the Purchaser (or such other person(s) as the Purchaser may direct and the Receiver may agree; provided, however, that no agreement will be required if such transfer is to an Affiliate (as such term is defined in the Purchase Agreement) of the Purchaser that agrees to be jointly and severally liable with the Purchaser) all rights, title, and interest of the Debtors to the Purchased Assets and shall be a legal, valid, and effective transfer of the Purchased Assets free and clear any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, pledges, options, warrants, trusts or deemed trusts (whether contractual, statutory, or otherwise), encumbrances, obligations, liabilities, demands, guarantees, restrictions, contractual commitments, rights, including without limitation, rights of first refusal and rights of set-off, liens, executions, levies, penalties, charges, or other financial or monetary claims, adverse claims, or rights of use, puts or forced sales provisions exercisable as a consequence of or arising from the closing of the Sale,

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whether arising prior to or subsequent to the commencement of the Canadian Proceeding and these Chapter 15 Cases, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured, legal, equitable, possessory or otherwise, actual or threatened civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, complaint, suit, investigation, dispute, petition or proceeding by or before any governmental authority or person at law or in equity whether imposed by agreement, understanding, law, equity or otherwise, and any claim or demand resulting therefrom including, without limiting the generality of the foregoing: (a) any encumbrances or charges created by the Receivership Order and/or any subsequent charges created by the Canadian Court; (b) all charges, security interests, or claims evidenced by any personal property registry system in the United States; and (c) Excluded Liabilities (as defined in the Purchase Agreement) (all the foregoing in this paragraph 6, collectively, the "Interests"); provided, however, that nothing contained herein shall derogate from the obligations of the Purchaser (or such other person(s) as the Purchaser may direct and the Receiver may agree; provided, however, that no agreement will be required if such transfer is to an Affiliate of the Purchaser that agrees to be jointly and severally liable with the Purchaser) to assume the Assumed Obligations, including the Assumed Priority Payables, and to perform its obligations under the Assumed Contracts, as set forth in the Purchase Agreement.

7. Except as expressly provided in the Purchase Agreement, the Approval Order, the Vesting Order, and/or the U.S. Sale Order, pursuant to sections 105(a), 363(f), and 1521 of the Bankruptcy Code, upon the time of closing of the Sale (the "<u>Time of Closing</u>"):

(a) the Purchased Assets shall be sold, transferred, or otherwise conveyed to Purchaser (or such other person(s) as the Purchaser may direct and the Receiver may agree; <u>provided</u>, <u>however</u>, that no agreement will be required if such transfer is to an Affiliate of the Purchaser that agrees to be

Jointly and severally liable with the Purchaser) free and clear of all Interests, with all such Interests to attach to the proceeds of Sale of the Purchased Assets in the order of their priority, and with the same validity, priority, force, and effect which they now have as against the Purchased Assets, subject to the rights, claims, defenses, and objections, if any, of the Debtors and all parties in interest with respect to such Interests; (b) no holder of an Interest against the Debtors shall interfere with the Purchaser's title to or use and enjoyment of the Purchased Assets based on or related to such Interests; and (c) the Purchase Agreement, the Sale, and any instruments contemplated thereby shall be enforceable against and binding upon, and not subject to rejection or avoidance by, the Debtors or any successor thereof. All persons or entities holding Interests in, to or against the Purchased Assets are forever barred from asserting such Interests against the Purchaser, its affiliates, successors and assigns, and current affiliates, officers, directors, employees, managers, partners, members, financial advisors, attorneys, agents, and representatives (collectively, the "Purchaser Releasees") or such Purchased Assets after the Time of Closing.

- 8. None of the Purchaser Releasees shall have or incur any liability to, or be subject to any action by any Debtor, or any of the Debtors' predecessors, successors, or assigns, arising out of the negotiation, investigation, preparation, execution, or delivery of the Purchase Agreement, or the entry into and consummation of the Sale, except as expressly provided in the Purchase Agreement, the Approval Order, the Vesting Order, and/or the U.S. Sale Order.
- 9. Except as otherwise provided in the Purchase Agreement, any and all Purchased Assets and in the possession or control of any person or entity, including, without limitation, any vendor, supplier, or employee of the Debtors shall be transferred to the Purchaser (or such other person(s) as the Purchaser may direct and the Receiver may agree; provided,

however, that no agreement will be required if such transfer is to an Affiliate of the Purchaser that agrees to be jointly and severally liable with the Purchaser) free and clear of all Interests, and, upon reasonable request of the Purchaser, all such persons or entities are directed to surrender possession of the Purchased Assets to the Purchaser (or such other person(s) as the Purchaser may direct and the Receiver may agree; provided, however, that no agreement will be required if such transfer is to an Affiliate of the Purchaser that agrees to be jointly and severally liable with the Purchaser) at the Time of Closing.

10. To the extent permissible under the Approval Order and the Vesting Order, the Purchaser, or its affiliates, members, and shareholders, shall not be deemed, as a result of any action taken in connection with the Sale or the Purchaser's post-closing use or operation of the Purchased Assets, to: (a) be a successor to the Debtors; (b) have, de facto or otherwise, merged or consolidated with or into the Debtors; or (c) be a continuation or substantial continuation of the Debtors or any enterprise of the Debtors. Except for the Assumed Obligations, the transfer of the Purchased Assets to the Purchaser under the Purchase Agreement, the Approval Order, the Vesting Order, and the U.S. Sale Order shall not result in the Purchaser Releasees having any liability or responsibility whatsoever: (y) for any Interest against the Debtors or against an insider of the Debtors; or (z) to the Debtors, except as is expressly set forth in the Purchase Agreement, the Approval Order, the Vesting Order, the U.S. Sale Order, and/or any other order of the Canadian Court. Without limiting the generality of the foregoing, except as otherwise provided in the Purchase Agreement, the Approval Order, the Vesting Order, or any other order of the Canadian Court, the conveyance of the Debtors' rights, title, and interest in the Purchased Assets to Purchaser under the Purchase Agreement shall not result in any Purchaser Releasee having any liability or responsibility whatsoever for any: (a) Interest, whether at law or

in equity, whether by payment, setoff, or otherwise, directly or indirectly; (b) obligation under any of the Debtors' labor or employment agreements; (c) of the Debtors' mortgages, deeds of trust, and security interests; (d) intercompany loans and receivables between the Debtors and any non-debtor subsidiary; (e) of the Debtors' pension, welfare, compensation or other employee benefit plans, agreements, practices and programs; (f) any of the Debtors' other employee, worker's compensation, occupational disease, unemployment, or temporary disability related claim, including without limitation, claims that might arise under or pursuant to (i) the Employee Retirement Income Security Act of 1974, as amended, (ii) the Fair Labor Standards Act, (iii) Title VII of the Civil Rights Act of 1964, (iv) the Federal Rehabilitation Act of 1973, (v) the National Labor Relations Act, (vi) the Worker Adjustment and Retraining Act of 1988, (vii) the Age Discrimination and Employee Act of 1976 and Age Discrimination in Employment Act, as amended, (viii) the Americans with Disabilities Act of 1990, (ix) the Consolidated Omnibus Budget Reconciliation Act of 1985, (x) state discrimination laws, (xi) state unemployment compensation laws or any other similar state laws, (xii) any other state or federal benefits or claims relating to any employment with the Debtors or any of their predecessors; or (g) successor or vicarious liabilities of any kind or character, including, but not limited to, federal, state or other tax liabilities, U.S. or foreign pension liabilities, or liabilities based on any theory of antitrust, environmental, labor law, alter ego, veil piercing, continuity of enterprise, mere continuation, product line, de facto merger or substantial continuity, whether known or unknown, whether legal or equitable, matured or unmatured, contingent or noncontingent, liquidated or unliquidated, asserted or unasserted, whether arising prior to or subsequent to the commencement of these Chapter 15 Cases, whether imposed by agreement, understanding, law, equity or otherwise with respect to any of the Debtors or any obligations of the Debtors,

including, but not limited to, in the case of liabilities on account of any taxes arising, accruing or payable under, out of, in connection with, or in any way relating to the operation of the Debtors' business prior to the Time of Closing or any taxes in connection with, or in any way relating to the cancellation of debt of the Debtors or their affiliates.

- 11. The entry of the U.S. Sale Order: (a) is and shall be effective as a determination that, upon the Time of Closing, except as expressly provided in the Purchase Agreement, the Approval Order, the Vesting Order, and/or the U.S. Sale Order, all Interests existing as to the Purchased Assets prior to the Time of Closing, have been released, extinguished, expunged, and discharged as against the Purchased Assets; and (b) shall be binding upon and shall govern the acts of all entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, recorders of fees, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities, who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments that reflect that the Purchaser (or such other person(s) as the Purchaser may direct and the Receiver may agree; provided, however, that no agreement will be required if such transfer is to an Affiliate of the Purchaser that agrees to be jointly and severally liable with the Purchaser) is the assignee of the Purchased Assets free and clear of all Interests, except as expressly provided in the Purchase Agreement, the Approval Order, the Vesting Order, and/or the U.S. Sale Order.
- 12. Each and every federal, state, and local governmental agency or department is authorized and directed to accept any and all documents and instruments necessary and appropriate to consummate the transaction contemplated by the Purchase Agreement.

- 13. Except with respect to enforcing the terms of the Purchase Agreement, the Approval Order, the Vesting Order, or the U.S. Sale Order, absent a stay pending appeal, no person shall take any action to prevent or enjoin or otherwise interfere with consummation of the transaction contemplated in or by the Purchase Agreement.
- 14. Effective as of the Time of Closing, the Approval Order, the Vesting Order and the U.S. Sale Order shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of the Debtors' interests in the Purchased Assets.

Treatment of Executory Contracts and Unexpired Leases

- Vesting Order, upon delivery of the Receiver's Certificate, the Assumed Contracts shall be transferred to, and remain in full force and effect for the benefit of, the Purchaser (or such other person(s) as the Purchaser may direct and the Receiver may agree; provided, however, that no agreement will be required if such transfer is to an Affiliate of the Purchaser that agrees to be jointly and severally liable with the Purchaser) in accordance with their respective terms. The transfer and assignment of the Assumed Contracts shall be valid notwithstanding any restriction, condition, or prohibition contained in any such Assigned Contract relating to the assignment thereof, (including those of the type described in sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer or requires the consent of any party to such assignment or transfer.
- 16. As provided in paragraph 3 of the Vesting Order, the assignment of the rights and obligations of the Debtors under the Assumed Contracts to the Purchaser (or such other person(s) as the Purchaser may direct and the Receiver may agree; <u>provided</u>, <u>however</u>, that no agreement will be required if such transfer is to an Affiliate of the Purchaser that agrees to be jointly and severally liable with the Purchaser), pursuant to section 2.01 of the Purchase 01:14205507.4

Agreement, is valid and binding upon all of the counterparties to the Assumed Contracts, without further documentation, as if the Purchaser was a party to the Assumed Contracts, notwithstanding any restriction or prohibition contained in any such Assigned Contract relating to the assignment thereof, including any provision requiring the consent of any party to an Assigned Contract.

- 17. Each counterparty to the Assumed Contracts is prohibited from exercising any right or remedy under the Assumed Contracts by reason of any defaults thereunder arising from the commencement or pendency of the Canadian Proceeding or these Chapter 15 Cases or the solvency or financial condition of the Debtors.
- 18. To the extent there may be any dispute arising from the U.S. Sale Order's treatment of any Assumed Contract, including, but not limited to, disputes related to an attempted post-Sale modification or termination of any Assumed Contract subject to this Court's jurisdiction, regardless of whether such modification or termination is based upon restrictions or prohibitions contained in any Assumed Contract relating to the assignment thereof, this Court shall retain jurisdiction to enforce any and all terms and provisions of the Purchase Agreement, the Approval Order, the Vesting Order, and/or U.S. Sale Order with respect to any such Assigned Contract.

Winthrop Resources Corporation

dated December 12, 2012, together with schedules and riders thereto (the "Winthrop Lease"), between Winthrop Resources Corporation ("Winthrop") and ITXchange Financial Services LLC DBA Vernon Computer Source, and in resolution of Winthrop's objection to the Motion: (i) the Receiver elects to assume the Winthrop Lease and assign it to the Purchaser or its assign or nominee as of the closing date of the Sale and Winthrop consents to the assumption and the 01:14205507.4

assignment of the Winthrop Lease; (ii) the Receiver shall promptly pay rent due under the Winthrop Lease for the period since the commencement of the Canadian Proceeding, and the Purchaser shall, in accordance with the Purchase Agreement, promptly pay other amounts necessary to cure payment defaults under the Winthrop Lease (which amounts equaled \$193,262.13 as of November 22, 2013, and will equal \$45,896.95 upon settlement of the \$147,365.18 wire transfer to Winthrop that the Receiver initiated on November 25, 2013), excluding any amounts relating to legal fees incurred by Winthrop (which legal fees shall be resolved at a later date), upon assumption and assignment of the Winthrop Lease as of the closing date of the Sale; (iii) the Receiver or the Purchaser, as applicable, will make future lease payments under the Lease as they come due pending the assumption of the Lease; (iv) the Receiver and/or the Purchaser will promptly disclose to Winthrop the identity of the Purchaser or its assign or nominee that will take assignment of the Winthrop Lease and shall provide Winthrop with an organizational chart showing the corporate structure of the Purchaser once such structure is finalized; (v) the Receiver and/or the Purchaser shall provide Winthrop with documents and information reasonably necessary to allow Winthrop to comply with applicable regulatory requirements relating to the assumption and assignment of the Winthrop Lease; and (vi) in the event the Receiver does not assume the Winthrop Lease, Winthrop shall be entitled to the immediate possession of all equipment leased under the Winthrop Lease and shall have relief from the automatic stay to collect such equipment without further order of this Court.

Additional Provisions

20. The Purchaser, as a purchaser in good faith within the meaning of section 363(m) of the Bankruptcy Code, shall be entitled to all of the protections of section 363(m) of the Bankruptcy Code. The reversal or modification on appeal of the authorization provided

herein to consummate the Sale shall not affect the validity of the Sale unless, prior to the Time of Closing, such authorization is duly stayed pending appeal.

- Order shall be binding on and inure to the benefit of the Debtors, the Purchaser, the Debtors' creditors, and all other parties in interest, and any successors of the Debtors, the Purchaser and the Debtors' creditors, including any trustee(s), examiner(s), or receiver(s) appointed in these cases or under any chapter of the Bankruptcy Code or any other law, and all such terms and provisions shall likewise be binding on such trustee(s), examiner(s), or receiver(s) and shall not be subject to rejection or avoidance by the Debtors, the Debtors, their creditors, or any trustee(s), examiner(s), or receiver(s).
- 22. Subject to the terms and conditions of the Approval Order, the Vesting Order and the Purchase Agreement, provisions of the Purchase Agreement and any related agreements may be waived, modified, amended, or supplemented by agreement among the Debtors and the Purchaser in a writing signed by the Debtors and the Purchaser without further action or order of this Court.
- Vesting Order, the Purchase Agreement, or any related agreements in the U.S. Sale Order shall not diminish or impair the effectiveness of that provision, it being the intent of this Court that the Approval Order, the Vesting Order, the Purchase Agreement, and any related agreements, with such amendments thereto as may be made by the parties in accordance with the Approval Order, the Vesting Order and the Purchase Agreement be approved and authorized in their entirety.
- 24. Notwithstanding any provision in the Bankruptcy Rules to the contrary:

 (a) the terms of the U.S. Sale Order shall be immediately effective and enforceable upon its

entry; (b) the Debtors, the Purchaser, and the Receiver are not subject to any stay in the implementation, enforcement or realization of the relief granted in the U.S. Sale Order; and (c) the Debtors, the Purchaser, and the Receiver may, in their discretion and without further delay, take any action and perform any act authorized under the Approval Order, the Vesting Order and/or the U.S. Sale Order.

- 25. To the extent permitted by section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any permit or license relating to the operation of the Purchased Assets sold, transferred, or conveyed to the Purchaser on account of the filing or pendency of these Chapter 15 Cases or the consummation of the Sale.
- 26. Nothing in the U.S. Sale Order shall be deemed to waive, release, extinguish or estop the Debtors or the Receiver from asserting, or otherwise impair or diminish, any right (including, without limitation, any right of recoupment), claim, cause of action, defense, offset or counterclaim in respect of any asset that is not a Purchased Asset.
- 27. The provisions of the U.S. Sale Order are nonseverable and mutually dependent.
- 28. Other than as explicitly set forth herein, this Court shall retain jurisdiction with respect to any and all matters, claims, rights, or disputes arising from or related to the implementation or interpretation of the U.S. Sale Order.

Dated: November 25 2013
Wilmington, Delaware

United States Bankrupicy Judge

EXHIBIT 1

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SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

THE HONOURABLE MR.	.)	TUESDAY, THE 29th DAY
)	
JUSTICE MORAWETZ)	OF OCTOBER, 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

ORDER

THIS APPLICATION, made by the Applicant for an Order pursuant to section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the Courts of Justice Act, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing Duff & Phelps Canada Restructuring Inc. as receiver (the "Receiver") without security, of all of the assets, undertakings and properties of 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. (the "Debtors") acquired for, or used in relation to businesses carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Craig Boyer sworn October 25, 2013 and the Report of Duff & Phelps Canada Restructuring Inc. dated October 25, 2013 (the "Report") and on hearing

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the submission of counsel for Callidus Capital Corporation ("Callidus"), counsel for Duff & Phelps Canada Restructuring Inc., the proposed receiver, and counsel for the Debtors, and on reading the consent of Duff & Phelps Canada Restructuring Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Duff & Phelps Canada Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to businesses carried on by the Debtors, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

- 3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - c) to manage, operate, and carry on the businesses of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease

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Sto carry on all or any part of the businesses, or cease to perform any contracts of the louing of Debtors:

- d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- e) to purchase or lease such equipment, inventories, supplies, premises or other assets to continue the businesses of the Debtors or any part or parts thereof;
- f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- g) to settle, extend or compromise any indebtedness owing to the Debtors;
- to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- j) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with Court approval and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act shall not be required, and in each case the Ontario Bulk Sales Act shall not apply;

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be sustice a torong to the property or any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

- to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- n) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- o) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- p) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

THE STALKING HORSE OFFER

4. THIS COURT ORDERS that the Receiver shall be authorized and directed to accept the Asset Purchase Agreement dated October 25, 2013 (the "Stalking Horse Offer") signed by 2393134 Ontario Inc. (the "Purchaser") pursuant to which the Purchaser has agreed to purchase all of the right, title and interest of the Debtors in and to the assets specified in the Stalking Horse Offer (the "Purchased Assets"). If the Receiver does not receive and accept at or before the Bid

Deadline (as defined below) a Superior Bid (as defined below) in accordance with the Sale Process, the Receiver is entitled to take all actions or steps necessary to complete the transaction the remarker in accordance with its terms, without further approval of this Court, however the Receiver shall apply for the appropriate Vesting Orders. If the Receiver does receive a Superior Bid at or before the Bid Deadline in accordance with the Sale Process, the Receiver shall apply to the Court for approval of the Superior Bid. A "Superior Bid" shall be an offer to purchase the Purchased Assets which the Receiver, acting in its sole discretion, considers at least equivalent to the Stalking Horse Offer, provided that no offer shall qualify as a Superior Bid unless it meets the following minimum criteria:

a) the offer must be an irrevocable offer;

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- b) the offer must be accompanied by a cash deposit which is at least equal to 15% of the aggregate purchase price payable under the offer;
- c) the offer must be for a purchase price at least equal to the Purchase Price, payable in cash on Closing, and otherwise on terms no less favourable and no more burdensome or conditional than the Stalking Horse Offer;
- d) the offer must not contain any contingency relating to due diligence or financing or any other material conditions precedent to the offeror's obligation to complete the transaction that are not otherwise contained in the Stalking Horse Offer;
- e) the offer must be made by an offeror which can demonstrate the financial ability to complete the transaction; and
- f) the offer must contemplate a closing date of no later than December 31, 2013.

SALES PROCESS

5. The Receiver shall undertake the marketing and sale of the Property, including soliciting offers, and negotiating the terms and conditions of sale, in accordance with the Sales Process and timetable outlined in paragraph 7.2 of the Duff & Phelps Report (the "Sale Process")

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

6. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons

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acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

- 7. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 7 or in paragraph 8 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.
- 8. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and

providing the Receiver with any and all access codes, account names and account numbers that the required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

9. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

10. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. THIS COURT ORDERS that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of right of Callidus pursuant to paragraph 23 of this Order or in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (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 THE RECEIVER

12. THIS COURT ORDERS that 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 Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

PHIS COURT ORDERS that all Persons having oral or written agreements with the Pettors 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 Debtors 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 Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current 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 Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

14. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from the sale of all or any of the Property, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

15. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

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respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the Wage Earner

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16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada Personal Information Protection and Electronic Documents Act, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. THIS COURT ORDERS that nothing herein contained shall require the Receiver 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 Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in

pursuance of the Receiver'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

LIMITATION ON THE RECEIVER'S LIABILITY-

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18. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the Wage Earner Protection Program Act. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

- 19. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
- 20. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.
- 21. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against their remuneration and disbursements when and as approved by this Court.

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FUNDING OF THE RECEIVERSHIP

THIS COURT ORDERS that the Debtors or the Receiver on behalf of the Debtors and not in its personal capacity is hereby authorized and empowered to continue to obtain and borrow, repay and re-borrow, additional monies under an Amended and Restated Loan Agreement dated October 11, 2012 among the Debtors and Callidus (as later amended from time to time, the "Loan Agreement"), subject to and in accordance with blocked account agreements between the Debtors, Callidus, Bank of Montreal and any other financial institution used by the Debtors in their cash management system (the "Blocked Account Agreements"), in order to finance the Debtors' operating expenses and the reasonable fees and disbursements of the Receiver and its legal counsel, all on the terms and subject to the conditions set forth in the Loan Agreement and the Blocked Account Agreements or such other terms and conditions as Callidus shall agree.

- 23. THIS COURT ORDERS that the Debtors or the Receiver on behalf of the Debtors and not in its personal capacity is hereby authorized and directed to pay all of its indebtedness, interest, fees, liabilities and obligations to Callidus under and pursuant to the Loan Agreement and in accordance with the Blocked Account Agreements when the same become due notwithstanding any other provision of this Order, provided that Callidus shall reimburse the Receiver any monies received by Callidus which it may not have been entitled to pursuant to any liens, charges, security interests or other claims having priority over Callidus' security.
- 24. THIS COURT ORDERS that, in addition to advances in accordance with availability under the Loan Agreement, the Receiver on behalf of the Debtors be at liberty and it is hereby empowered to borrow monies from Callidus in excess of availability under the Loan Agreement (hereafter "Overadvances") on the terms and at the rate of interest set out in the Loan Agreement for such period or periods of time as the Receiver may arrange with Callidus, for the purpose of payment of the Debtors operating expenses and the reasonable fees and disbursements of the Receiver and its legal counsel.

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25. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

- 26. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
- 27. 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.
- 28. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver 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.
- 29. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estates with such priority and at such time as this Court may determine.
- 30. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

Doc 47-1 Filed 11/25/13 Page 14 of 15 Case 13-12809-KG

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CALLIDUS CAPITAL CORPORATION Applicant

-and- XCHANGE TECHNOLOGY GROUP LLC Respondents

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

ONTARIO SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT TORONTO

ORDER

DICKINSON WRIGHT LLP

Barristers & Solicitors 199 Bay Street, Suite 2200 P.O. box 447 Commerce Court Postal Station Toronto, ON M5L 1G4

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Fax: (416) 865-1398

Lawyers for the applicant

EXHIBIT 2

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

ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)

THE HONOURABLE MR.)	FRIDAY, THE 22 ND
JUSTICE MORAWETZ)	DAY OF NOVEMBER, 2013

BETWEEN:

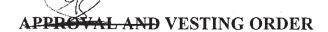
CALLIDUS CAPITAL CORPORATION

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



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 is hereby approved 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 of ASSIGNES.
- 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.

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Schedule A - Form of Receiver's Certificate

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

ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)

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

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

Barristers and Solicitors 5000 Yonge Street, 10th Floor Toronto, ON M2N 7E9

Harvey Chaiton

LSUC Registration No. 21592F Tel: (416) 218-1129 Fax: (416) 218-1849

Fax: (416) 218-1849 E-mail: Harvey@chaitons.com Lawyers for Duff & Phelps Canada Restructuring Inc., in its capacity as courtappointed Receiver of the Respondents

Respondents

AND AND AND AND AND AND AND AND AND

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

SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) ONTARIO

MOTION RECORD

Proceedings commenced at Toronto

(returnable November 22, 2013) (Approval and Vesting Order)

CHAITONS LLP

5000 Yonge Street, 10th Floor Barristers and Solicitors Toronto, ON M2N 7E9

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

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No futhe Her were received Alasy it follows blet the News is ettlet to the M styr neessy to cogelite the franch. the A Verting Old shall issue to reflect the forgoing. It should be miled that nothing in the Order constitutes an assignat of the Jesse Agrant Norta 17 121212 detel Dec 12,2012, togethe with schedule and rider stock, between Without Resources Compost and ITX dye French & vis LIC DBA Tehn Copuly Source and such agreet may not be assured without the coset of withop or fully order of the court. IIIh great. Ude sisted is amended form

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