

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
GROWTHWORKS CANADIAN FUND LTD.

SIXTH REPORT OF
FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR

March 5, 2014

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FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR**

1. On October 1, 2013, GrowthWorks Canadian Fund Ltd. (the “**Fund**” or the “**Applicant**”) made an application under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the “**CCAA**”) and an initial order (the “**Initial Order**”, a copy of which is attached hereto as Appendix “A”) was made by the Honourable Justice Newbould of the Ontario Superior Court (Commercial List) (the “**Court**”) granting, *inter alia*, a stay of proceedings against the Applicant until October 31, 2013, which stay of proceedings was thereafter extended until March 7, 2014 (the “**Stay of Proceedings**”) and appointing FTI Consulting Canada Inc. as monitor of the Fund (the “**Monitor**”). The proceedings commenced by the Fund under the CCAA will be referred to herein as the “**CCAA Proceedings**”.

2. The Fund is a labour sponsored venture capital fund that currently has a mature and diversified portfolio consisting primarily of investments made in small and medium-sized Canadian businesses. The Fund was formed in 1988 with the investment objective of achieving long term appreciation for its Class A shareholders, whom principally comprise retail investors.

3. The Fund experienced liquidity issues because of, *inter alia*, an inability to access short-term financing as well as unfavourable market conditions impacting its ability to divest, at a profit, its relatively illiquid investments. As a result of these liquidity issues, the Fund was unable to meet its obligations as they became due, including the obligation of the Fund to make a \$20 million dollar payment to Roseway Capital S.a.r.l (“**Roseway**”), its sole secured creditor, which payment became due on September 30, 2013. With the consent of Roseway, the Fund filed for and obtained protection under the CCAA on October 1, 2013.

4. Prior to September 30, 2013 and the commencement of these CCAA Proceedings, the Fund’s day to day operations were delegated to GrowthWorks WV Management Ltd. (the “**Manager**”) pursuant to a Management Agreement dated July 15, 2006 (“**Management Agreement**”). In accordance with the terms of the Management Agreement, the Manager was permitted to delegate its duties under the Management Agreement to third parties. Pursuant to the Management Agreement, the Manager delegated the Manager’s obligations to GrowthWorks Capital Ltd. On September 30, 2013, the Fund terminated the Management Agreement for the reasons outlined in the Affidavit of Ian Ross, sworn September 30, 2013 and filed.

5. Pursuant to an Order granted by the Court on October 29, 2013, the Initial Order was amended and restated and the Stay of Proceedings was extended until January 15, 2014 (the “**Amended and Restated Initial Order**”). A copy of the October 29, 2013 Order attaching the Amended and Restated Initial Order is attached hereto as Appendix “B”.

6. Pursuant to an Order granted by the Court On November 18, 2013, the Court approved a sales and investor solicitation process (“**SISP**”, a copy of which is attached hereto as Appendix “C”) for the purpose of offering the opportunity for potential investors to purchase or invest in the business or property of the Fund.

7. On November 28, 2013, the Court granted an Order authorizing the Fund, with the consent of the Monitor to, *inter alia*, make distributions to Roseway provided that certain priority payables are able to be paid by the Applicant when due.

8. On January 9, 2014, the Court approved an Order: (i) establishing a claims procedure to identify, determine and resolve claims of creditors of the Fund (the “**Claims Procedure**”); and (ii) extending the Stay of Proceedings until March 7, 2014.

9. Pursuant to an Order dated February 28, 2014, the Court extended the time for the Fund to call its annual general meeting of shareholders until and including October 31, 2014.

PURPOSE OF THIS REPORT

10. The purpose of this sixth report of the Monitor is to update and inform the Court on the following:

- (a) the status of the SISP;
- (b) the status of the litigation proceedings commenced by Allen-Vanguard Corporation (“**Allen-Vanguard**”);
- (c) the status of the Claims Procedure;
- (d) the receipts and disbursements of the Fund for the period January 4, 2014 to February 28, 2014;
- (e) the proposed distribution of funds to Roseway;
- (f) the Fund’s cash flow projections for the period from March 1, 2014 to May 2, 2014; and

- (g) the Monitor's comments on the Applicant's request for an extension of the Stay of Proceedings.

TERMS OF REFERENCE

11. In preparing this report, the Monitor has relied upon unaudited financial information, other information available to the Monitor, where appropriate the Applicants' books and records and discussions with various parties including advisors to Roseway and the Fund's management and advisors.

12. Future oriented financial information reported or relied on in preparing this report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.

13. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

14. Capitalized terms not defined herein shall have the meaning ascribed to in the affidavit of Ian Ross, Chairman of the Fund, sworn March 3, 2014 and filed (the "**March Affidavit**"), the Claims Procedure or the Fifth Report of the Monitor dated January 8, 2014 (the "**Fifth Report**", attached hereto as Appendix "D").

15. This report should be read in conjunction with the March Affidavit as certain information contained in the March Affidavit have not been included herein in order to avoid unnecessary duplication.

THE SISP

16. As outlined in the Fifth Report, since early November 2013, the Applicant has implemented and carried out a two-phased sale and investor solicitation process to: (i) solicit sales and investment proposals; and (ii) implement one or a combination of proposals pursuant to the terms of the SISP. In that regard, a list of potential purchasers and investors was developed by the Financial Advisor with the assistance and in consultation with the Fund and the Monitor. The Monitor also published in the Globe and Mail (National Edition) and the Wall Street Journal an advertisement of the acquisition or investment opportunity for the Fund's business and assets.

17. During Phase 1 of the SISP, non binding indications of interest were solicited from potential investors and purchasers. Those potential purchasers and investors that were determined to be Qualified Bidders (as defined in the SISP) commenced due diligence on the Fund and its portfolio.

18. The activity during Phase I of the SISP can be summarized as follows:

- (i) approximately 157 potential purchasers and investors were contacted by the Financial Advisor notifying them of the investment/sale opportunity;
- (ii) of those 157 parties contacted, approximately 125 parties requested and were sent teaser letters;
- (iii) approximately 55 parties executed a confidential non-disclosure agreement (“NDA”);
- (iv) of the 55 parties who executed NDAs, 36 parties, each of whom were deemed to be Qualified Bidders, requested and were sent a confidential

information memorandum outlining in detail the opportunity to acquire or invest in the business of the Fund and were also given access to an electronic data room maintained by the Financial Advisor; and

(v) approximately 30 Qualified Bidders accessed the electronic data room.

19. As of December 13, 2013, (the “**Phase 1 Bid Deadline**”), the Financial Advisor received seven letters of intent (“**LOIs**”) from potential parties.

20. On December 16, 2013, the Fund, the Financial Advisor and the Monitor met to: (i) review the seven LOIs received; (ii) determine whether the SISP should continue into Phase II; and (iii) if it was determined that the SISP should continue into Phase II, evaluate which of the parties that submitted LOIs should be invited to continue.

21. The seven LOIs were evaluated on the basis of whether they met the Qualified LOI criteria as defined in paragraph 19 of the SISP. Out of the seven LOIs received, six of the LOIs were determined to be Qualified LOIs. At this time, the Special Committee in consultation with the Financial Advisor and with the consent of the Monitor determined that there was a reasonable prospect of obtaining a Qualified Bid (as defined therein) and accordingly, that the SISP should continue into Phase II.

22. As a result of the foregoing, six Qualified Bidders were invited to participate in Phase II of the SISP which commenced on December 20, 2013. During Phase II of the SISP, the six Qualified Bidders were granted further access to due diligence materials, including updated financial information of the Fund. In addition, the six Qualified Bidders were also given the opportunity to participate in due diligence calls conducted by the Financial Advisor and senior management of certain of the Portfolio Companies.

23. As of February 3, 2014, (the “**Phase II Bid Deadline**”, which deadline was not extended by the Fund pursuant to the terms of the SISP), the Financial Advisor received two proposals. Neither of the two proposals constituted Qualified Bids since, *inter alia*, neither of the proposals contained cash consideration sufficient to pay the Roseway Claims in full. The first proposal contemplated a purchase of a portion of the Fund’s assets at a price unacceptable to the Fund and the Financial Advisor (the “**Discounted Sale Offer**”). The second proposal was neither a purchase proposal nor an investment proposal but rather a proposal to manage the assets of the Fund.

24. Shortly after the Phase II Bid Deadline, the Fund, the Financial Advisor and the Monitor met with Roseway and its advisors to consider the two proposals submitted. The Fund, in consultation with the Financial Advisor, did not accept the Discounted Sale Offer principally on the basis that: (i) the purchase price reflected an unacceptable discount for the selected portion of assets to be purchased; and (ii) the remaining assets would still require a manager to harvest the portfolio. Instead, the Fund recommended to Roseway that the assets be retained by the Fund and that the Fund be managed for the continued harvesting of the portfolio in order to generate proceeds to repay Roseway on a timely basis and to preserve value for other stakeholders. In that regard, the Fund and Roseway, with the consultation and oversight of the Monitor, continue to discuss a path forward for the Fund, including appropriate cost reductions for the ongoing operation of the Fund.

THE STATUS OF THE ALLEN-VANGUARD LITIGATION PROCEEDINGS

25. As outlined more fully in the Third Report of the Monitor dated November 15, 2013, on October 28, 2013, counsel to Allen-Vanguard served the Fund, the Monitor and all parties on the service list in the within proceedings, a notice of motion (the “**Allen-Vanguard**

Motion”) for, *inter alia*, an Order by this Court that the Stay of Proceedings does not apply to the continuation of the proceedings bearing Court File No. 08-CV-43188 and Court File No. 08-CV-43544.

26. The Allen-Vanguard Motion is derived from litigation proceedings commenced by Allen-Vanguard against the Fund and other offeree shareholders and relates to Allen-Vanguard’s purchase of shares held by the Fund and other offeree shareholders in Med-Eng Systems Inc. (“**MES**”). Allen-Vanguard claims against the Fund and the other offeree shareholders, damages for fraudulent and/or negligent misrepresentation and breach of contract in the amount of \$650 million, of which \$40 million would be paid out of an escrow agreement entered into on closing of the sale of the MES shares.

27. On November 28, 2013, the Fund served a Notice of Cross Motion returnable February 11, 2013 (the “**Cross Motion**”). The Cross Motion is for an Order directing the trial of certain issues to be heard by way of mini trial in the CCAA Proceedings.

28. The Allen-Vanguard Motion and the Cross Motion was heard on February 11, 2014 and is still pending determination by this Court.

THE CLAIMS PROCEDURE

29. On January 9, 2014, the Fund sought and obtained approval of the Claims Procedure. Pursuant to the terms of the Claims Procedure, anyone asserting a Claim or D&O Claim is required to submit their Proof of Claim with the Monitor by no later than 5:00pm EST on March 6, 2014.

30. Pursuant to the Claims Procedure Order, on January 13, 2014, the Monitor posted a copy of the Proof of Claims Document Package on the Monitor’s website and on January 15,

2014, caused the Notice to Claimants to be published once in the Globe and Mail Newspaper (National Edition). A copy of the published Notice to Claimants in the Globe and Mail Newspaper is attached hereto as Appendix "E". In addition, the Monitor sent a Proof of Claims document package to all known Creditors, other than to Allen-Vanguard.

31. As noted in the Fifth Report, the Monitor will review all Proofs of Claim filed. However, as indicated therein, there is no deadline by which the Monitor must review and adjudicate claims. Accordingly, the Monitor will use its discretion to respond to and, if necessary, adjudicate disputed claims only when and if circumstances necessitate doing so. Other than in accordance with the Claims Procedure, the Monitor does not anticipate responding to or adjudicating disputed claims until such time as Roseway is paid in full and there are, or are likely to be, remaining funds for distribution to unsecured creditors of the Fund.

**ACTUAL RECEIPTS AND DISBURSEMENTS OF THE FUND FOR THE PERIOD
FROM JANUARY 4, 2014 TO FEBRUARY 28, 2014**

32. The Fund's actual net cash flow for the period from January 4, 2014 to February 8, 2014 (the "**Current Period**") together with an explanation of key variances as compared to the January 4 Forecast is set out below. Actual net cash flows for the Current Period were approximately \$1.1 million lower than forecast, summarized as follows:

\$000	Forecast	Actual	\$ Variance
Cash Inflow			
Venture Exits and/or Interest Payments	\$ 6,150	\$ 3,692	\$ (2,458)
Total Cash Inflow	\$ 6,150	\$ 3,692	\$ (2,458)
Cash Outflow			
Follow on Funding	\$ 69	\$ 62	\$ (7)
CEO Fees & Expenses	\$ 66	\$ 50	\$ (16)
Insurance Fees	\$ 301	\$ 301	\$ (0)
Financial Advisor Fees	\$ 419	\$ 198	\$ (221)
Other	\$ 407	\$ 157	\$ (250)
Total Cash Outflow	\$ 1,261	\$ 767	\$ (495)
Restructuring Costs			
Monitor's Legal and Professional Fees	\$ 400	\$ 257	\$ (143)
Fund Legal Fees	\$ 968	\$ 288	\$ (680)
Total Restructuring Fees	\$ 1,368	\$ 546	\$ (823)
Net Cash Flow	\$ 3,520	\$ 2,380	\$ (1,140)
Opening Cash Balance	\$ 5,392	\$ 5,392	\$ -
Net Cash Flow	\$ 3,520	\$ 2,380	\$ (1,140)
Unrealized FX Gain/Loss	\$ -	\$ 143	\$ 143
Ending Cash Balance	\$ 8,913	\$ 7,916	\$ (997)

33. The variance in actual receipts and disbursements is comprised primarily of the following:

(a) a variance of approximately \$2.5 million in venture exits and/or distributions from Portfolio Companies. The variance is made up of:

(i) a negative variance of approximately \$3 million. This variance is temporary in nature and is expected to reverse as proceeds are received in respect of the disposition of the Fund's interest in one of its Portfolio Companies;

(ii) a positive variance of approximately \$450,000. This variance is permanent in nature and is the result of the receipt of additional proceeds in excess of forecast in respect of a disposition of the Fund's interest in one of its Portfolio Companies; and

- (iii) a positive variance of approximately \$30,000. These funds are in dispute and relate to a distribution from GrowthWorks Commercialization Fund that were not previously forecasted. These funds are being maintained in a separate account.

- (b) a variance of approximately \$250,000 in other fees. This variance is temporary in nature and is due to timing differences between receipt of bills and payment thereof. The positive variance is expected to reverse over the coming weeks; and

- (c) a variance of approximately \$1 million in professional and other restructuring fees. This variance may be temporary in nature and due to timing differences between receipt of bills and payment thereof. The positive variance may reverse over the coming weeks.

DISBURSEMENT TO ROSEWAY

34. On November 28, 2013, the Court granted an Order authorizing the Fund, with the consent of the Monitor to, *inter alia*, make distributions to Roseway provided that certain priority payables are able to be paid by the Applicant when due.

35. The Special Committee approved a resolution on February 27, 2014 to distribute funds to Roseway in respect of: (i) proceeds received regarding the recent disposal of the Fund's interest in one of its Portfolio Companies; and (ii) funds in the approximate amount of US\$2 million included in the cash at bank under the control of the Monitor that are subject to a dispute between Roseway and the Fund (the "**Segregated Funds**", the particulars of which are further described in the Fifth Report).

36. The total amount to be distributed to Roseway includes:

Funds to be Paid to Roseway		
CAD Bank Account	\$	3,659,412
Disputed USD Funds	\$	1,978,603

37. Based on discussions with the Fund and Roseway, the Monitor understands that: (i) the Fund has agreed to distribute the Segregated Funds; and (ii) Roseway has agreed to accept the Segregated Funds, each on a without prejudice basis.

38. In addition, the Monitor has been advised that both the Fund and Roseway have agreed that the status quo ante, as at the time just prior to the distribution by the Fund of the Segregated Funds to Roseway, will be assumed for the purposes of any arguments that either the Fund or Roseway may later wish to assert.

39. The Monitor supports the distribution by the Fund to Roseway in the amount of CAD\$3,659,412 and US\$1,978,603 (together, the “**Interim Distribution Amount**”). The Monitor is satisfied that (i) the Priority Payables (as defined in the Order of the Court dated November 28, 2013 and attached hereto as Appendix “F”) are being paid when due from funds held by the Monitor upon receipt of approval by the Fund; and (ii) the funds remaining in the hands of the Applicant and/or the Monitor after distribution to Roseway of the Interim Distribution Amount are sufficient to pay the Priority Payables accrued to the date hereof.

THE COMPANY’S CASH FLOW FORECAST

40. The Fund has prepared a revised cash flow forecast for the period March 1, 2014 to May 2, 2014 (the “**March 1 Forecast**”). A copy of the March 1 Forecast is attached as Appendix “G”. The March 1 Forecast shows a positive net cash flow of approximately \$5.17 million, and is summarized below:

Cash Inflow	
Venture Exits and/or Distributions	6,202
Total Cash Inflow	6,202
Cash Outflow	
Follow on Funding	31
CEO Fees & Expenses	37
Payroll & Benefits	53
Insurance Fees	-
Legal & Financial Advisor Fees	280
Board Fees	100
Rent, Communications & Utilities	1
Other	66
Total Cash Outflow	568
Restructuring Costs	
Financial Advisor Fees	467
Total Restructuring Fees	467
Net Cash Flow	5,167
Opening Cash Balance	7,915
Net Cash Flow	5,167
Repayment of Obligation to Roseway	(5,851)
Ending Cash Balance	7,232

41. It is anticipated that the Fund’s projected liquidity requirements throughout the March 1 Forecast period will continue to be met by existing cash available to the Fund.

STAY EXTENSION

42. The stay period currently expires on March 7, 2014 (the "**Stay Period**"). Continuation of the Stay of Proceedings is required for the Fund to continue its discussions with Roseway to formulate a path forward for the Fund, including the formulation and development of a management and realization plan. The materials filed by the Fund on Tuesday March 4, 2014, noted that the Fund was seeking an extension of the Stay Period to May 2, 2014.

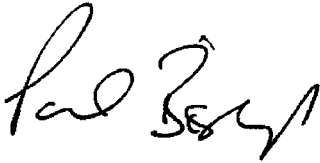
43. After further discussions between the Fund and Roseway, the parties agreed that the Fund would instead seek a shorter extension of the Stay of Proceedings until April 10, 2014.

44. The Monitor is supportive of the stay extension until April 10, 2014 and is of the belief that the various stakeholders and creditors of the Fund would not be materially prejudiced by the extension of the Stay Period. The Monitor is also of the belief that the Fund has acted, and is acting, in good faith and with due diligence and that circumstances exist that warrant an extension of the stay to April 10, 2014.

The Monitor respectfully submits to the Court this Sixth Report.
Dated this 5th day of March, 2014.

FTI Consulting Canada Inc.

in its capacity as Monitor of GrowthWorks Canadian Fund Ltd. and not in its personal or corporate capacity



Paul Bishop
Senior Managing Director



Jodi B. Porepa
Managing Director

TAB A

APPENDIX "A"

Court File No.: »

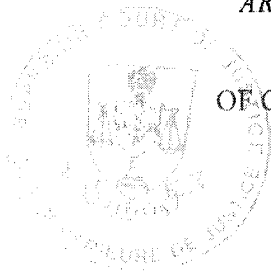
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**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.) TUESDAY, THE 1ST
JUSTICE NEWBOULD) DAY OF OCTOBER, 2013

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

AND IN THE MATTER OF A PROPOSED PLAN
OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO
GROWTHWORKS CANADIAN FUND LTD.
(the "APPLICANT")



INITIAL ORDER

THIS APPLICATION, made by the Applicant, pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of C. Ian Ross sworn September 30, 2013 and the Exhibits thereto (the "**Ross Affidavit**"), and on being advised that Roseway Capital S.a.r.l. ("**Roseway**"), the secured creditor who is likely to be affected by the charges created herein was given notice, and on hearing the submissions of counsel for the Applicants, counsel for Roseway and counsel for the proposed Monitor, FTI Consulting Canada Inc., counsel for the Manager (defined below) and on reading the consent of FTI Consulting Canada Inc. to act as the Monitor,

THIS APPLICATION, made by the Applicant, pursuant to the CCAA was heard this day at 330 University Avenue, Toronto, Ontario.

SERVICE

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

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

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

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the Applicant shall be entitled to utilize a central cash management system (a "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or

application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

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

- (a) all reasonable transition costs of the Manager (as defined below), and all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing management agreements, compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

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

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services;

- (b) Follow on Investments in Portfolio Companies (as defined in the Ross Affidavit) for which provision is made in the Cash Flow Projection (as defined in the Ross Affidavit) or which are approved by the Monitor; and
- (c) payment for goods or services actually supplied to the Applicant following the date of this Order.

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

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

9. THIS COURT ORDERS that until a real property lease is disclaimed in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the

landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order.

10. THIS COURT ORDERS that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date except as provided in the Cash Flow Projection; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. THIS COURT ORDERS that the Applicant shall, subject to such requirements as are imposed by the CCAA have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$25,000 in any one transaction or \$100,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate and terminate the provision of transitional services by the Manager (as defined below); and
- (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "**Restructuring**"). For greater clarity, dispositions of the Applicant's interest in a Portfolio Company (as defined in the Ross Affidavit) as part of a liquidity event, is an ordinary course transaction that does not require Court approval.

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

13. THIS COURT ORDERS that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicant of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

14. THIS COURT ORDERS that until and including October 31, 2013, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process

in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

16. THIS COURT ORDERS that any rights or obligations, including any right or obligation under a contract, an agreement or other document affecting or relating to a Portfolio Company (as defined in the Ross Affidavit), that arise, come into effect or are "triggered" by the insolvency of the Applicant, by the commencement of these proceedings or the making of this Order shall be of no effect and no person shall be entitled to exercise any rights or remedies in connection therewith.

NO INTERFERENCE WITH RIGHTS

17. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant or any right, renewal right, contract, agreement, licence or permit in favour

of or held by a Portfolio Company to the extent relevant to the Applicant, the Business, the Property or these proceedings, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

18. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, 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 Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

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

this Order is without prejudice to any arguments of the Fund,

CRITICAL SUPPLIERS

20. THIS COURT ORDERS AND DECLARES that Growthworks WV Management Ltd. (the "Manager"), GrowthWorks Capital Ltd. ("GWC"), ~~and each Person engaged or contracted by the Manager and/or GWC (not including employees of the Manager or GWC) in connection with providing services to the Applicant pursuant to the Management Agreement described in the Ross Affidavit (the "Management Agreement") is a critical supplier to the Applicant as contemplated by Section 11.4 of the CCAA (each, a "Critical Supplier").~~

✓ or ✓ 25

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to the extent this Court declares any Person

21. THIS COURT ORDERS that each Critical Supplier shall be entitled to the benefit of and is hereby granted a charge (together, the "Critical Suppliers' Charge") on the Property of the Applicant in an amount equal to the lesser of (a) the value of the goods and services supplied by such Critical Supplier and received by the Applicant after the date of this Order less all amounts paid to such Critical Supplier in respect of such goods and services; (b) the amount to which the Manager is entitled to be paid under section 8.6(b) of the Management Agreement; and (c) \$50,000. The Critical Supplier Charge shall have the priority set out in paragraphs 36 and 38 herein.

a critical Supplier as contemplated by Section 11.4 of the CCAA by subsequent order

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

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

(each, a "Critical Supplier")
25

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

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

24. THIS COURT ORDERS that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$1,000,000, as security for the indemnity provided in paragraph 23 of this Order. The Directors' Charge shall have the priority set out in paragraphs 36 and 38 herein.

25. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 23 of this Order.

APPOINTMENT OF MONITOR

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

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

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) advise the Applicant in its preparation of the Applicant's cash flow statements;
- (d) advise the Applicant in respect to the Plan and any amendments to the Plan;
- (e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) have full and complete access to the Property including the premises, the premises of the Manager to the extent Property of the Applicant is located on the Manager's premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order and all Persons, including the Applicant and the Manager, shall permit such full and complete access to such Property to the Monitor;
- (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (h) establish one or more accounts to hold any proceeds of the disposition of the Portfolio Companies (the "**Proceeds Accounts**");

- (i) administer the Proceeds Accounts for and on behalf of the Applicants and to distribute funds from such Proceeds Accounts from time to time to satisfy expenses that the Applicant is entitled and/or required to pay pursuant to this Order, as directed by the Applicant and in accordance with the Cash Flow Projection and any update cash flow projections; and
- (j) perform such other duties as are required by this Order or by this Court from time to time.

28. THIS COURT ORDERS that the Monitor shall not take possession of the Property with the exception of the Proceeds Accounts, and shall take no part whatsoever in the management or supervision of the management of the Business or the businesses of the Portfolio Companies and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

29. THIS COURT ORDERS that McCarthy Tétrault LLP is entitled to transfer the funds held by it in trust as described in the Ross Affidavit at paragraph 88, and any future proceeds that may be received by it from time to time from the disposition of the Portfolio Companies, to the Monitor for deposit into the Proceeds Accounts to be held by the Monitor for and on behalf of the Applicant in accordance with the terms of this Order.

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

"**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

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

32. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order (including, without limitation, with respect to administering the Proceeds Accounts for and on behalf of the Applicants), save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

33. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a bi-weekly basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, counsel to the Applicant and CCC, retainers in the amount of \$50,000,

respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time

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

35. THIS COURT ORDERS that the Monitor, counsel to the Monitor, CCC (as defined in the Ross Affidavit), and the Applicant's counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 36 and 38 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

36. THIS COURT ORDERS that the priorities of the Directors' Charge, the Administration Charge and the Critical Suppliers' Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$500,000);

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

Third – Critical Suppliers' Charge (to the maximum amount of \$50,000).

37. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge, the Administration Charge and the Critical Suppliers' Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

38. THIS COURT ORDERS that each of the Charges (as constituted and defined herein) shall constitute a charge on the Property and the Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

39. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor and the beneficiaries of the Charges, or further Order of this Court.

40. THIS COURT ORDERS that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to *Bankruptcy and Insolvency Act* (the "**BIA**"), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create nor be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and

- (c) neither the payments made by the Applicant pursuant to this Order nor the granting of the Charges shall constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

41. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

42. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in [newspapers specified by the Court] a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

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


44. THIS COURT ORDERS that the Applicant, the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as

recorded on the Service List from time to time, and the Monitor may post a copy of any or all such materials on its website at <http://cfcanada.fticonsulting.com/gcfl>.

GENERAL

45. THIS COURT ORDERS that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
46. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, a Portfolio Company, the Business or the Property.
47. 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 Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.
48. THIS COURT ORDERS that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor 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.
49. THIS COURT ORDERS that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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



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



OCT 0 1 2013

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF GROWTHWORKS CANADIAN FUND LTD.

Court File No:

CV-13-10279-0002

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

INITIAL ORDER

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Lawyers for the Applicant
#12547919

TAB B

APPENDIX "B"

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

THE HONOURABLE MADAME) TUESDAY, THE 29TH
)
JUSTICE MESBUR) DAY OF OCTOBER, 2013

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

AND IN THE MATTER OF A PROPOSED PLAN
OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO
GROWTHWORKS CANADIAN FUND LTD.
(the "**APPLICANT**")



ORDER

THIS MOTION, made by the Applicant, for an order extending the Stay Period (the "**Stay Period**") defined in paragraph 14 of the Initial Order of the Honourable Mr. Justice Newbould dated October 1, 2013 (the "**Initial Order**") until January 15, 2014, and amending and restating the Initial Order to, among other things, declare certain persons critical suppliers and permit the Applicant to provide an indemnity for certain Applicant-nominated directors of companies in the Applicants' investment portfolio and a related charge, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of C. Ian Ross sworn October 25, 2013 and the Exhibits thereto (the "**Ross Affidavit**") and the Second Report (the "**Second Report**") of FTI Consulting Canada Inc., in its capacity as Court-appointed monitor (the "**Monitor**"), on being advised that Roseway Capital S.a.r.l. consents to the relief requested in this motion, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor and counsel for Growthworks WV Management Ltd. (the "**Manager**") no one appearing for any other party although duly served as appears from the affidavit of service,

or *✓* *counsel for Roseway, ✓*

SERVICE

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

STAY EXTENSION

2. THIS COURT ORDERS that the Stay Period is hereby extended until and including January 15, 2014.

MONITOR'S ACTIVITIES AND REPORT

3. THIS COURT ORDERS that the First Report of the Monitor dated October 8, 2013 and the Second Report of the Monitor and the activities described therein are hereby approved.

AMENDED AND RESTATED INITIAL ORDER

4. THIS COURT ORDERS AND DECLARES that the Initial Order is hereby amended and restated in the form attached hereto as Schedule "A".



FILED
CLERK OF COURT
LEBANON, MISSISSIPPI



OCT 29 2013

SCHEDULE "A" – AMENDED AND RESTATED INITIAL ORDER

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

THE HONOURABLE MR.) TUESDAY, THE 1ST
)
JUSTICE NEWBOULD) DAY OF OCTOBER, 2013

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

AND IN THE MATTER OF A PROPOSED PLAN
OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO
GROWTHWORKS CANADIAN FUND LTD.
(the "APPLICANT")

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by the Applicant, pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of C. Ian Ross sworn September 30, 2013 and the Exhibits thereto (the "Ross Affidavit"), and on being advised that Roseway Capital S.a.r.l. ("Roseway"), the secured creditor who is likely to be affected by the charges created herein was given notice, and on hearing the submissions of counsel for the Applicants, counsel for Roseway and counsel for the proposed Monitor, FTI Consulting Canada Inc., counsel for the Manager (defined below) and on reading the consent of FTI Consulting Canada Inc. to act as the Monitor,

THIS APPLICATION, made by the Applicant, pursuant to the CCAA was heard this day at 330 University Avenue, Toronto, Ontario.

SERVICE

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

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

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

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the Applicant shall be entitled to utilize a central cash management system (a "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or

application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

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

- (a) all reasonable transition costs of the Manager (as defined below) pursuant to the terms of the Critical Transition Services Agreement (as defined below), and all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing management agreements, compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

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

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services;

- (b) Follow on Investments in Portfolio Companies (as defined in the Ross Affidavit, the “**Portfolio Companies**”, each a “**Portfolio Company**”) for which provision is made in the Cash Flow Projection (as defined in the Ross Affidavit) or which are approved by the Monitor; and
- (c) payment for goods or services actually supplied to the Applicant following the date of this Order.

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

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, “**Sales Taxes**”) required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

9. THIS COURT ORDERS that until a real property lease is disclaimed in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area

maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order.

10. THIS COURT ORDERS that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date except as provided in the Cash Flow Projection; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. THIS COURT ORDERS that the Applicant shall, subject to such requirements as are imposed by the CCAA have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$25,000 in any one transaction or \$100,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate and terminate the provision of transitional services by the Manager (as defined below); and
- (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "**Restructuring**"). For greater clarity, dispositions of the Applicant's interest in a Portfolio Company as part of a liquidity event, is an ordinary course transaction that does not require Court approval.

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

13. THIS COURT ORDERS that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicant of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

14. THIS COURT ORDERS that until and including October 31, 2013, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process

in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

16. THIS COURT ORDERS that any rights or obligations, including any right or obligation under a contract, an agreement or other document affecting or relating to a Portfolio Company, that arise, come into effect or are "triggered" by the insolvency of the Applicant, by the commencement of these proceedings or the making of this Order shall be of no effect and no person shall be entitled to exercise any rights or remedies in connection therewith.

NO INTERFERENCE WITH RIGHTS

17. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant or any right, renewal right, contract, agreement, licence or permit in favour

of or held by a Portfolio Company to the extent relevant to the Applicant, the Business, the Property or these proceedings, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

18. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, 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 Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

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

CRITICAL SUPPLIERS

20. THIS COURT ORDERS AND DECLARES that this Order is without prejudice to any arguments of the Fund, Growthworks WV Management Ltd. (the “**Manager**”) or GrowthWorks Capital Ltd. (“**GWC**”), in connection with the purported termination of the Management Agreement described in the Ross Affidavit (the “**Management Agreement**”).

21. THIS COURT ORDERS that, the Manager, GWC, and each Person engaged or contracted by the Manager and/or GWC (not including employees of the Manager or GWC) in connection with providing transitional services to the Applicant pursuant to the Management Agreement on or after October 1, 2013 is a critical supplier to the Applicant as contemplated by Section 11.4 of the CCAA (each, a “**Critical Supplier**”) and each Critical Supplier shall be entitled to the benefit of and is hereby granted a charge (together, the “**Critical Suppliers’ Charge**”) on the Property of the Applicant in an amount equal to the lesser of (a) the value of the goods and services supplied by such Critical Supplier and received by the Applicant after the date of this Order less all amounts paid to such Critical Supplier in respect of such goods and services; and, (b) the amount to which the Manager is entitled to be paid under the Critical Transition Services Agreement attached hereto as Schedule “1”. The Critical Supplier Charge shall have the priority set out in paragraphs 38 and 40 herein.

22. THIS COURT ORDERS that each Critical Supplier shall, in addition to any other obligations it has under this Initial Order, supply and continue to supply the Applicant with transitional services pursuant to the Management Agreement. In the case of the Manager, it shall supply and continue to supply the Critical Transition Services (as defined in the Critical Transition Services Agreement) pursuant to and as set out in the Critical Transition Services Agreement. No Critical Supplier may require the payment of a deposit or the posting of any security in connection with the supply of such services after the date of this Order.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

23. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant, or against any current or future Applicant-nominated director of any of the Portfolio Companies (the "**Portfolio Company Directors**") with respect to any claim against the directors, officers or Portfolio Company Directors that arose before, on or after the date hereof and that relates, (i) in the case of the former, current or future directors or officers of the Applicant, to any obligations of the Applicant, or (ii) in the case of the Portfolio Company Directors, to any obligations of the Portfolio Companies, and in either case whereby the directors, officers or Portfolio Company Directors are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

24. THIS COURT ORDERS that the Applicant shall indemnify its directors and officers, and may indemnify the Portfolio Company Directors if, in its own discretion and in consultation with the Monitor, it elects to do so, against obligations and liabilities that they may incur as directors or officers of the Applicant or directors of a Portfolio Company after the commencement of the within proceedings, except to the extent that, with respect to any director, officer or Portfolio Company Director, the obligation or liability was incurred as a result of the director's, officer's or Portfolio Company Director's gross negligence or wilful misconduct. The Applicant and the Portfolio Company Directors will use reasonable commercial efforts to address any dispute regarding the indemnity coverage with the guidance and assistance of the Monitor, and, if required, this Court.

25. THIS COURT ORDERS that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on

the Property, which charge shall not exceed an aggregate amount of \$1,000,000, as security for the indemnity provided in paragraph 24 of this Order. The Directors' Charge shall have the priority set out in paragraphs 38 and 40 herein.

26. THIS COURT ORDERS that the Portfolio Company Directors shall be entitled to the benefit of and are hereby granted a charge (the "**Portfolio Company Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$10,000,000, as security for the indemnity referred to in paragraph 24 of this Order, to the extent one is provided by the Applicant. The Portfolio Company Directors' Charge shall have the priority set out in paragraphs 38 and 40 herein.

27. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge or the Portfolio Company Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 24 of this Order, and the Portfolio Company Directors shall only be entitled to the benefit of the Portfolio Company Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified by the Applicant, to the extent an indemnity is provided by the Applicant accordance with paragraph 24 of this Order.

APPOINTMENT OF MONITOR

28. THIS COURT ORDERS that FTI Consulting Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its

powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

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

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) advise the Applicant in its preparation of the Applicant's cash flow statements;
- (d) advise the Applicant in respect to the Plan and any amendments to the Plan;
- (e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) have full and complete access to the Property including the premises, the premises of the Manager to the extent Property of the Applicant is located on the Manager's premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order and all Persons, including the Applicant and the Manager, shall permit such full and complete access to such Property to the Monitor;
- (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

- (h) establish one or more accounts to hold any proceeds of the disposition of the Portfolio Companies (the "**Proceeds Accounts**");
- (i) administer the Proceeds Accounts for and on behalf of the Applicants and to distribute funds from such Proceeds Accounts from time to time to satisfy expenses that the Applicant is entitled and/or required to pay pursuant to this Order, as directed by the Applicant and in accordance with the Cash Flow Projection and any update cash flow projections; and
- (j) perform such other duties as are required by this Order or by this Court from time to time.

30. THIS COURT ORDERS that the Monitor shall not take possession of the Property with the exception of the Proceeds Accounts, and shall take no part whatsoever in the management or supervision of the management of the Business or the businesses of the Portfolio Companies and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

31. THIS COURT ORDERS that McCarthy Tétrault LLP is entitled to transfer the funds held by it in trust as described in the Ross Affidavit at paragraph 88, and any future proceeds that may be received by it from time to time from the disposition of the Portfolio Companies, to the Monitor for deposit into the Proceeds Accounts to be held by the Monitor for and on behalf of the Applicant in accordance with the terms of this Order.

32. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other

contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

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

34. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order (including, without limitation, with respect to administering the Proceeds Accounts for and on behalf of the Applicants), save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

35. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a bi-weekly basis and, in

addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, counsel to the Applicant and CCC (as defined in the Ross Affidavit), retainers in the amount of \$50,000, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time

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

37. THIS COURT ORDERS that the Monitor, counsel to the Monitor, CCC (as defined in the Ross Affidavit), and the Applicant's counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 38 and 40 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

38. THIS COURT ORDERS that the priorities of the Directors' Charge, the Administration Charge and the Critical Suppliers' Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$500,000);

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

Third – Critical Suppliers' Charge (to the maximum amount of \$50,000);

and,

Fourth – Portfolio Company Directors' Charge and Critical Suppliers' Charge to the extent that it exceeds \$50,000.

39. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge, the Administration Charge, the Critical Suppliers' Charge and the Portfolio Company Directors' Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

40. THIS COURT ORDERS that each of the Charges (as constituted and defined herein) shall constitute a charge on the Property and that the entire Directors' Charge, the entire Administration Charge and the Critical Suppliers' Charge to a maximum amount of \$50,000 shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person. To the extent the Critical Suppliers' Charge exceeds \$50,000, such additional amount, together with the Portfolio Company Directors' Charge, shall rank *pari passu* with one another behind the Encumbrances.

41. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor and the beneficiaries of the Charges, or further Order of this Court.

42. THIS COURT ORDERS that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to *Bankruptcy and Insolvency Act* (the "**BIA**"), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e)

any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create nor be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (c) neither the payments made by the Applicant pursuant to this Order nor the granting of the Charges shall constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

44. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in The Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

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

46. THIS COURT ORDERS that the Applicant, the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor may post a copy of any or all such materials on its website at <http://cfcanaaa.fticonsulting.com/gcfl>.

GENERAL

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

48. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, a Portfolio Company, the Business or the Property.

49. 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 Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative

status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

50. THIS COURT ORDERS that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor 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.

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

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

TAB C

APPENDIX "C"

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

THE HONOURABLE MR.) MONDAY, THE 18TH
)
JUSTICE MORAWETZ) DAY OF NOVEMBER, 2013

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

AND IN THE MATTER OF A PROPOSED PLAN
OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO
GROWTHWORKS CANADIAN FUND LTD.
(the "**APPLICANT**")



ORDER

THIS MOTION, made by the Applicant, for an order extending approving a Sale and Investor Solicitation Process was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of C. Ian Ross sworn November 14, 2013 and the Exhibits thereto (the "**Ross Affidavit**") and the Third Report (the "**Third Report**") of FTI Consulting Canada Inc., in its capacity as Court-appointed monitor (the "**Monitor**"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor and counsel for Roseway Capital S.a.r.l. and counsel for Growthworks WV Management Ltd. (the "**Manager**"), no one appearing for any other party although duly served as appears from the affidavit of service,

SERVICE

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

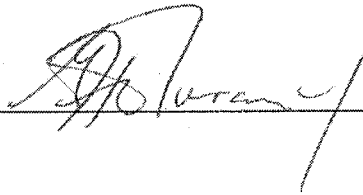
MARKETING PROCESS

2. THIS COURT ORDERS AND DIRECTS the Applicant to immediately commence the Sale and Investor Solicitation Process attached hereto as Schedule "A" (the "SISP") for the purpose of offering the opportunity for potential investors to purchase or invest in the property or business of the Applicant.


3. THIS COURT ORDERS that the SISP is hereby approved and the Applicant, the Monitor and the Financial Advisor (as defined in the SISP), are hereby authorized and directed to perform their respective obligations thereunder.

~~97~~ **MONITOR'S ACTIVITIES AND REPORT**

~~4. THIS COURT ORDERS that the Third Report of the Monitor and the activities described therein are hereby approved:~~ ~~98~~



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Schedule "A"

Growthworks Sale and Investor Solicitation Process

Introduction

On October 1, 2013, Growthworks Canadian Fund Ltd. ("**Growthworks**") obtained an initial order (as it may be amended from time to time, "**Initial Order**") under the *Companies' Creditors Arrangement Act* ("**CCAA**") from the Ontario Superior Court of Justice, Commercial List (Toronto) (the "**Court**"). The purpose of this Sale and Investor Solicitation Process ("**SISP**") is to seek Sale Proposals and Investment Proposals from Qualified Bidders and to implement one or a combination of them in respect of the Property and the Business.

This SISP describes, among other things: (a) the Property available for sale and the opportunity for an investment in the Business, (b) the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Property and the Business, (c) the manner in which bidders and bids become Qualified Bidders and Qualified Bids, respectively, (d) the evaluation of bids received, (e) the ultimate selection of a Successful Bidder, and (f) the process for obtaining such approvals (including the approval of the Court) as may be necessary or appropriate in respect of a Successful Bid.

Capitalized terms used in this SISP and not otherwise defined have the meanings given to them in paragraph 1 below.

Defined Terms

1. The following capitalized terms have the following meanings when used in this SISP:
 - (a) "Approval Motion" is defined in paragraph 33.
 - (b) "Business" means the business of Growthworks.
 - (c) "Business Day" means a day (other than Saturday or Sunday) on which banks are generally open for business in Toronto, Ontario.
 - (d) "Claims and Interests" is defined in paragraph 6.
 - (e) "Confidential Information Memorandum" is defined in paragraph 3.
 - (f) "Deposit" is defined in paragraph 24(k).
 - (g) "Final Bid" is defined in paragraph 23.
 - (h) "Financial Advisor" means CCC Investment Banking.
 - (i) "Form of Purchase Agreement" means the form of purchase and sale agreement to be developed by Growthworks in consultation with the Monitor and the Financial Advisor and provided to Qualified Bidders that submitted a Qualified LOI for a Sale Proposal.
 - (j) "Form of Investment Agreement" means the form of investment agreement to be developed by Growthworks in consultation with the Monitor and the Financial Advisors

and provided to Qualified Bidders that submitted a Qualified LOI for an Investment Proposal.

- (k) "Growthworks" has the meaning set out in the recitals hereto.
- (l) "Investment Proposal" is defined in paragraph 15.
- (m) "LOI" is defined in paragraph 12.
- (n) "Monitor" means FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor of Growthworks.
- (o) "NDA" means a non-disclosure agreement in form and substance satisfactory to the Monitor, the Financial Advisor, and Growthworks, which will inure to the benefit of any purchaser of the Property or any investor in the Business or Growthworks substantially in the form of the draft NDA attached hereto as **Schedule "2"**.
- (p) "Outside Date" means June 30, 2014, or such later date as may be agreed to by Growthworks, the Financial Advisor, the Monitor and Roseway.
- (q) "Phase 1" is defined in paragraph 12.
- (r) "Phase 1 Bid Deadline" is defined in paragraph 14.
- (s) "Phase 2" is defined in paragraph 20.
- (t) "Phase 2 Bid Deadline" is defined in paragraph 23.
- (u) "Portfolio Companies" has the meaning ascribed to that term in the Initial Order.
- (v) "Potential Bidder" is defined in paragraph 8.
- (w) "Property" means all of property, assets and undertakings of Growthworks, specifically including Growthworks' interests and investments in the Portfolio Companies and any agreements or rights it holds in respect of the Portfolio Companies.
- (x) "Qualified Bid" means a third party offer or combination of third party offers, in the form of a Sale Proposal or Sale Proposals or an Investment Proposal or including elements of both, in which the aggregate purchase price or funds to be invested are in an amount sufficient to pay the Roseway Claims in full in cash (or provide for such other consideration as may be acceptable to Roseway in its sole and absolute discretion) and which, in any case, meets the requirements of paragraph 24.
- (y) "Qualified Bidder" is defined in paragraph 9.
- (z) "Qualified LOI" is defined in paragraph 15.
- (aa) "Roseway" means Roseway Capital S.a.r.l, and all of its affiliates, assignees and advisors in respect of Roseway Claims.
- (bb) "Roseway Claims" means the aggregate amount owing to Roseway arising from or related to the Participation Agreement dated May 28, 2010, as amended, all accrued and unpaid principal, interest and reasonable fees, costs, charges and expenses all as may be due and payable under the aforementioned Participation Agreement;

- (cc) "Sale Proposal" is defined in paragraph 15.
- (dd) "Selected Qualified Bid" is defined in paragraph 30.
- (ee) "SISP Order" means an order of the Court, among other things, approving this SISP.
- (ff) "Special Committee" means a committee established by board of directors of Growthworks to supervise, among other things, the implementation of the SISP.
- (gg) "Successful Bid" is defined in paragraph 30.
- (hh) "Successful Bidder" is defined in paragraph 30.

The terms Final Bid, Qualified Bid, Qualified Bidder, Qualified LOI, Selected Qualified Bid, Successful Bid and Successful Bidder, in each case, may include a combination of offers, bids, bidders or LOIs, if the Special Committee, exercising its reasonable business judgement and following consultation with the Financial Advisor and Roseway and with the consent of the Monitor, wishes to consider or accept such a combination of offers, bids, bidders, or LOIs that, in the aggregate, would otherwise qualify as a Final Bid, Qualified Bid, Qualified Bidder, Qualified LOI, Selected Qualified Bid, Successful Bid or Successful Bidder under the terms of this SISP.

Supervision of the SISP

2. The Monitor will supervise, in all respects, the SISP and any attendant sales or investments and, in particular, will supervise the Financial Advisor's performance under its engagement by Growthworks in connection therewith. Growthworks is required to assist and support the efforts of the Monitor and the Financial Advisor as provided for herein. In the event that there is disagreement or clarification required as to the interpretation or application of this SISP or the responsibilities of the Monitor, the Financial Advisor or Growthworks hereunder, the Court will have jurisdiction to hear such matter and provide advice and directions, upon application of the Monitor or Growthworks.

Sale and Investment Opportunity

3. A confidential information memorandum (the "**Confidential Information Memorandum**") describing the opportunity to acquire all or a portion of the Property or invest in the Business/Growthworks will be made available by the Financial Advisor to Qualified Bidders. One or more Qualified Bids for less than substantially all of the Property will not be precluded from consideration, either alone or in combination, as a Qualified Bid, Final Bid or a Successful Bid.
4. A bid may, at the option of the Qualified Bidder, involve one or more of the following: a restructuring, recapitalization or other form of reorganization of the business and affairs of Growthworks as a going concern; a sale of the Property to the Qualified Bidder or to a newly formed acquisition entity; or a plan of compromise or arrangement pursuant to the CCAA.

"As Is, Where Is"

5. The sale of the Property or investment in the Business/Growthworks will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Monitor, Growthworks or any of their respective agents or estates, except to the extent set forth in the definitive sale or investment agreement executed with a Successful Bidder.

Free Of Any And All Claims And Interests

6. In the event of a sale of all or a portion of the Property, all of the right, title and interest of Growthworks in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and there against (collectively, the “**Claims and Interests**”) pursuant to such court orders as may be desirable, except to the extent otherwise set forth in the definitive sale or investment agreement executed with a Successful Bidder.

Publication Notice

7. As soon as reasonably practicable, but in any event no more than five (5) Business Days after the issuance of the SISP Order, the Monitor will cause a notice of the SISP (and such other relevant information which the Monitor, in consultation with the Financial Advisor, Roseway and Growthworks, considers appropriate) to be published in The Globe and Mail (National Edition) and any other newspaper or journals as the Monitor, in consultation with Growthworks, considers appropriate, if any. On the same date, Growthworks will issue a press release setting out the notice and such other information, in form and substance satisfactory to the Monitor in consultation with the Financial Advisor and Growthworks, with Canada Newswire designating dissemination in Canada and major financial centres in the United States.

Participation Requirements

8. In order to participate in the SISP, each person (a “**Potential Bidder**”, which shall not include Roseway) must deliver to the Financial Advisor at the address specified in **Schedule “1”** hereto (including by email or fax transmission):
 - (a) a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder; and
 - (b) an executed NDA which shall include provisions whereby the Potential Bidder agrees to accept and be bound by the provisions contained herein.
9. A Potential Bidder that has executed an NDA, and has delivered the documents and information described above, and that the Special Committee, in its reasonable business judgement, in consultation with the Financial Advisor and the Monitor, determines is likely, based on the availability of financing, experience and other considerations, to be able to consummate a Sale Proposal or an Investment Proposal on or before the Outside Date will be deemed a “**Qualified Bidder**,” and will be promptly notified of such determination by the Financial Advisor.
10. Roseway has agreed that it shall not qualify as a Qualified Bidder. Notwithstanding Roseway’s agreement not to participate as a bidder herein, Growthworks, the Financial Advisor and/or the Monitor shall provide to Roseway weekly updates and relevant information regarding the SISP process that, in the view of Growthworks and the Monitor is reasonable and appropriate. Information with respect to the SISP process shall only be disclosed to Roseway on the condition that such information be kept confidential and shall not be disclosed by Roseway to any other party, including its investors, without such parties first executing an NDA.
11. At any time during Phase 1 or Phase 2, the Special Committee may, in its reasonable business judgment and after consultation with the Financial Advisor and Roseway and with the consent of the Monitor, eliminate a Qualified Bidder from the SISP, in which case such bidder will be eliminated from the SISP and will no longer be a “**Qualified Bidder**” for the purposes of this SISP.

SISP – Phase 1

Phase 1 Initial Timing

12. For a period of 25 days following the date of the SISP Order (“Phase 1”), the Financial Advisor (with the assistance of Growthworks, and under the supervision of the Monitor and in accordance with this SISP) will solicit non-binding indications of interest in the form of non-binding letters of intent (each an “LOI”) from prospective strategic or financial parties to acquire the Property or to invest in the Business/Growthworks.

Due Diligence

13. The Financial Advisor will provide each Qualified Bidder with a copy of the Confidential Information Memorandum and access to an electronic data room of due diligence information. The Monitor, the Financial Advisor and Growthworks make no representation or warranty as to the information (i) contained in the Confidential Information Memorandum or the electronic data rooms; (ii) provided through the due diligence process in Phase 1 or Phase 2; or (iii) otherwise made available, except to the extent expressly contemplated in any definitive sale or investment agreement with a Successful Bidder executed and delivered by Growthworks.

Non-Binding Letters of Intent from Qualified Bidders

14. A Qualified Bidder that wishes to pursue a Sale Proposal or Investment Proposal must deliver a LOI to the Financial Advisor at the address specified in Schedule “1” hereto (including by email or fax transmission), so as to be received by it not later than 5:00 PM (Eastern Daylight Savings Time) on or before December 13, 2013 (the “Phase 1 Bid Deadline”).
15. A LOI so submitted will be considered a qualified LOI (a “Qualified LOI”) only if:
 - (a) the LOI is submitted on or before the Phase 1 Bid Deadline by a Qualified Bidder;
 - (b) it contains an indication of whether the Qualified Bidder is offering to:
 - (i) acquire all, substantially all or a portion of the Property (a “Sale Proposal”), or
 - (ii) make an investment in, or refinance the Business/Growthworks (an “Investment Proposal”);
 - (c) in the case of a Sale Proposal, it identifies or contains the following:
 - (i) the purchase price range in Canadian dollars, including details of any liabilities to be assumed by the Qualified Bidder;
 - (ii) the Property that is expected to be subject to the transaction and any of the Property expected to be excluded;
 - (iii) specific indication of the sources of capital for the Potential Bidder and preliminary evidence of the availability of such capital, or such other form of financial disclosure and credit-quality support or enhancement that will allow the Monitor, the Financial Advisor and Growthworks and each of their respective advisors to make a reasonable business or professional judgment as to the Potential Bidder’s financial or other capabilities to consummate the transaction;
 - (iv) the structure and financing of the transaction (including, but not limited to, the sources of financing of the purchase price, preliminary evidence of the

- availability of such financing, steps necessary and associated timing to obtain such financing and any related contingencies, as applicable);
- (v) any anticipated corporate, securityholder, internal or regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals;
 - (vi) additional due diligence required to be conducted during Phase 2, if any;
 - (vii) all conditions to closing that the Qualified Bidder may wish to impose; and
 - (viii) any other terms or conditions of the Sale Proposal which the Qualified Bidder believes are material to the transaction;
- (d) in the case of an Investment Proposal, it identifies the following:
- (i) how the Qualified Bidder proposes to manage the investments;
 - (ii) the aggregate amount of the equity and debt investment to be made in the Business/Growthworks in Canadian dollars (including the sources of such capital, preliminary evidence of the availability of such capital and steps necessary and associated timing to obtain the capital and any related contingencies, as applicable);
 - (iii) the underlying assumptions regarding the pro forma capital structure (including the form and amount of anticipated equity and/or debt levels, debt service fees, interest or dividend rates, amortization, voting rights or other protective provisions (as applicable), redemption, prepayment or repayment attributes and any other material attributes of the investment);
 - (iv) specific indication of the sources of capital for the Potential Bidder and preliminary evidence of the availability of such capital, or such other form of financial disclosure and credit-quality support or enhancement that will allow the Monitor, the Financial Advisor and Growthworks and each of their respective advisors to make a reasonable business or professional judgment as to the Potential Bidder's financial or other capabilities to consummate the transaction
 - (v) the structure and financing of the transaction, including a sources and uses analysis;
 - (vi) any anticipated corporate, securityholder, internal or regulatory approvals required to close the transaction, the anticipated time frame and any anticipated impediments for obtaining such approvals;
 - (vii) additional due diligence required to be conducted during Phase 2, if any;
 - (viii) all conditions to closing that the Qualified Bidder may wish to impose; and
 - (ix) any other terms or conditions of the Investment Proposal which the Qualified Bidder believes are material to the transaction;
- (e) in the case of either a Sale Proposal or an Investment Proposal, it contains such other information as reasonably requested by the Monitor, in consultation with the Financial Advisor and Growthworks; and

- (f) in the case of either a Sale Proposal or an Investment Proposal, it include cash consideration sufficient to pay the Roseway Claims in full (or provides for such other consideration as may be acceptable to Roseway in its sole and absolute discretion).
- 16. The Monitor, in consultation with the Financial Advisor and Growthworks, may waive compliance with any one or more of the requirements specified above, except the requirement contained in paragraph 15(f) of this SISP, and deem such non-compliant bids to be a Qualified LOI. For the avoidance of doubt, the completion of any Sale Proposal or Investment Proposal shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.
- 17. For greater certainty, a Qualified Bidder may submit a Final Bid during Phase 1 instead of submitting an LOI during Phase 1.

Assessment of Qualified LOIs and Continuation or Termination of SISP

- 18. Within 5 Business Days following the Phase 1 Bid Deadline (or such later date as may be determined by Growthworks, in consultation with the Financial Advisor and Roseway and with the consent of the Monitor), the Special Committee, in consultation with the Financial Advisor and the Monitor, will assess the Qualified LOIs and any Final Bids received during Phase 1, if any, and will determine, using the criteria set out in paragraph 19, whether there is a reasonable prospect of obtaining a Qualified Bid. For the purpose of such consultations and evaluations, Growthworks, the Financial Advisor and/or the Monitor may request clarification of the terms of Qualified LOIs and/or Final Bids.
- 19. In assessing the Qualified LOIs and any Final Bid submitted in Phase 1, the Special Committee, following consultation with the Financial Advisor and the Monitor, will consider, among other things, the following:
 - (a) the form and amount of consideration being offered;
 - (b) the demonstrated financial capability of the Qualified Bidder to consummate the proposed transaction;
 - (c) the conditions to closing of the proposed transaction;
 - (d) the estimated time required to complete the proposed transaction and whether, in the Special Committee's reasonable business judgment, it is reasonably likely to close on or before the Outside Date; and,
 - (e) in the case of a Final Bid, the criteria as listed in paragraphs 27 or 28 as applicable.
- 20. If a Qualified LOI is received and the Special Committee, in consultation with the Financial Advisor and with the consent of the Monitor, determines there is a reasonable prospect of obtaining a Qualified Bid, the SISP shall continue for a further 45 days in accordance with these SISP Procedures ("Phase 2"). At any time during Phase 2, Growthworks, in consultation with the Financial Advisor and Roseway and with the consent of the Monitor may extend Phase 2 by an additional 15 days.
- 21. If a Final Bid is received on or before the Phase 1 Deadline which is a Qualified Bid and the Special Committee, in consultation with the Financial Advisor and with the consent of the Monitor, at any time thereafter determines that there is no reasonable prospect of obtaining another Qualified Bid or Final Bid that, using the criteria set out in paragraphs 27 or 28, would be superior to the Final Bid so received, the Special Committee, exercising its reasonable business judgment and following consultation with the Financial Advisor and Roseway and with the

consent of the Monitor, will select the Final Bid, and the Financial Advisor, the Monitor, Growthworks and their advisors shall negotiate and settle the terms of a definitive agreement in respect of that Final Bid, all of which will be conditional upon Court approval.

Phase 2

Due Diligence

22. During Phase 2, each Qualified Bidder that submitted a Qualified LOI and is not eliminated from the SISP, will be granted further access to such due diligence materials and information relating to the Property and the Business as the Financial Advisor, in its reasonable business judgment, in consultation with the Monitor and Growthworks, determines, including, as appropriate, information or materials reasonably requested by Qualified Bidders, and, as may be permitted by the Portfolio Companies, on-site presentations by senior management of the Portfolio Companies and access to further information in the electronic data room.

Final Bids from Qualified Bidders

23. A Qualified Bidder that is not eliminated from the SISP and that wishes to pursue a Sale Proposal or Investment Proposal must deliver a final binding proposal (the "Final Bid"):
- (a) in the case of a Sale Proposal, a duly authorized and executed purchase agreement based on the Form of Purchase Agreement and accompanied by a mark-up of the Form of Purchase Agreement showing amendments and modifications made thereto, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the bidder with all exhibits and schedules thereto;
 - (b) in the case of an Investment Proposal, a duly authorized and executed investment agreement based on the Form of Investment Agreement and accompanied by a mark-up of the Form of Investment Agreement showing amendments and modifications made thereto, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the bidder with all exhibits and schedules thereto,

to the Financial Advisor at the address specified in Schedule "1" hereto (including by email or fax transmission) so as to be received by it not later than 5:00 pm (Eastern Time) on or before the date which is 45 days following the commencement of Phase 2, or such other date as determined by Growthworks, in consultation with the Financial Advisor and with the consent of the Monitor and Roseway or approval of the Court unless such day is not a Business Day, in which case, on the next Business Day (the "Phase 2 Bid Deadline").

Qualified Bids

24. A Final Bid will be considered a Qualified Bid only if (a) it is submitted by a Qualified Bidder, and (b) the Final Bid complies with, among other things, the following requirements:
- (a) it includes a letter stating that the bidder's offer is irrevocable until the earlier of (a) the approval by a court of competent jurisdiction of a Successful Bid and (b) 30 days following the Phase 2 Bid Deadline, provided that if such bidder is selected as the Successful Bidder, its offer will remain irrevocable until the closing of the transaction with such Successful Bidder;
 - (b) it includes written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate the proposed transaction, that will allow the Special Committee, in consultation with the Financial Advisor and the Monitor, to make a

reasonable determination as to the Qualified Bidder's financial and other capabilities to consummate the transaction contemplated by its Final Bid;

- (c) it includes, in respect of a Sale Proposal, the Property to be included, and in the case of an Investment Proposal, any Property to be divested or disclaimed prior to closing;
- (d) it includes details of any liabilities to be assumed by the Qualified Bidder;
- (e) it is not conditional upon, among other things:
 - (i) the outcome of unperformed due diligence by the Qualified Bidder; or
 - (ii) obtaining financing;
- (f) it fully discloses the identity of each entity that will be sponsoring or participating in the bid, and the complete terms of such participation;
- (g) it outlines any anticipated regulatory and other approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals;
- (h) it identifies with particularity the contracts the bidder wishes to assume and reject, contains full details of the bidder's proposal for the treatment of related cure costs (and provides adequate assurance of future performance thereunder); and it identifies with particularity any executory contract the assumption and assignment of which is a condition to closing;
- (i) it provides a timeline to closing with critical milestones;
- (j) it includes evidence, in form and substance reasonably satisfactory to the Monitor and Growthworks, of authorization and approval from the bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid;
- (k) it is accompanied by a refundable deposit (the "Deposit") in the form of a wire transfer (to a bank account specified by the Monitor), or such other form acceptable to the Monitor, payable to the order of the Monitor, in trust, in an amount equal to \$3 million, to be held and dealt with in accordance with the terms of this SISP;
- (l) it contains other information reasonably requested by the Financial Advisor, in consultation with the Monitor and Growthworks;
- (m) it is received by the Phase 2 Bid Deadline;
- (n) the purchase price or funds to be invested include cash consideration in an amount sufficient to pay the Roseway Claims in full and in cash (or provide for such other consideration as may be acceptable to Roseway in their sole and absolute discretion) on the closing of the transactions contemplated by the Final Bid;
- (o) the Special Committee, with the consent of the Monitor determines that it is reasonably likely that the Qualified Bidder will be able to consummate a Sale Proposal or Investment Proposal on or before the Outside Date in a manner that complies with all requirements of the SISP, including, without limitation, containing cash consideration sufficient to pay the Roseway Claims in full (or provide for such other consideration as may be acceptable to Roseway in its sole and absolute discretion);

- (p) in the case of a Sale Proposal, it includes an acknowledgement and representation that the bidder: (a) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its bid; and (b) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly stated in the purchase and sale agreement;
 - (q) in the case of an Investment Proposal, it includes an acknowledgement and representation that the bidder: (a) has relied solely upon its own independent review, investigation and/or inspection of any documents in making its bid; and (b) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the business of Growthworks or the completeness of any information provided in connection therewith, except as expressly stated in the Investment Agreement;
25. The Monitor, in consultation with the Financial Advisor and Growthworks, may waive compliance with any one or more of the requirements specified herein, except the requirements contained in paragraph 24(n) of this SISP, which may not be waived, and deem such non-compliant bids to be Qualified Bids.

Evaluation and Selection of Successful Bid

26. The Special Committee, in consultation with the Financial Advisor and the Monitor, will review and evaluate each Qualified Bid.
27. Evaluation criteria with respect to a Sale Proposal may include, but are not limited to items such as: (a) the purchase price and net value (including assumed liabilities and other obligations to be performed by the bidder); (b) the firm, irrevocable commitment for financing the transaction; (c) the claims likely to be created by such bid in relation to other bids; (d) the counterparties to the transaction; (e) the terms of transaction documents; (f) other factors affecting the speed, certainty, closing risk, risks arising from deferred redemption of shares, risks associated with the Portfolio Companies and value of the transaction (including any regulatory approvals required to close the transaction); (g) planned treatment of stakeholders; (h) the assets included or excluded from the bid; (i) any transition services required from Growthworks post-closing and any related restructuring costs; and (j) the likelihood and timing of consummating the transaction.
28. Evaluation criteria with respect to an Investment Proposal may include, but are not limited to items such as: (a) the amount of equity and debt investment and the proposed sources and uses of such capital; (b) the firm, irrevocable commitment for financing the transaction; (c) the debt to equity structure post-closing; (d) the counterparties to the transaction; (e) the terms of the transaction documents; (f) other factors affecting the speed, certainty, closing risk, risks arising from deferred redemption of shares, risks associated with the Portfolio Companies and value of the transaction (including any regulatory approvals required to close the transaction); (g) planned treatment of stakeholders; and (h) the likelihood and timing of consummating the transaction.
29. If one or more Qualified Bids is received, the Special Committee, exercising its reasonable business judgment and following consultation with the Financial Advisor and Roseway and with the consent of the Monitor, will select a Qualified Bid, and the Financial Advisor, the Monitor, Growthworks and their advisors shall negotiate and settle the terms of a definitive agreement in respect of that Qualified Bid, all of which will be conditional upon Court approval.
30. If a definitive agreement has been negotiated and settled in respect of the Qualified Bid as selected by the Special Committee in accordance with the provisions hereof – whether that bid is

selected in Phase 1 (in accordance with paragraph 21 hereof) or in Phase 2 (the “**Selected Qualified Bid**”), the Selected Qualified Bid will be the “**Successful Bid**” hereunder and the person(s) who made the Selected Qualified Bid will be the “**Successful Bidder**” hereunder.

31. If the Special Committee, after consultation with the Financial Advisor, Roseway and the Monitor, determines that no Qualified Bid has been received at the end of Phase 2, Growthworks shall advise the Court and apply to the Court for directions.
32. If the Special Committee, after consultation with the Financial Advisor, Roseway and the Monitor, determines at any point during Phase 2 that there is no reasonable prospect of obtaining a Qualified Bid, Growthworks or the Monitor shall advise the Court and apply to the Court for directions.

Approval Motion for Successful Bid

33. Growthworks will apply to the Court (the “**Approval Motion**”) for an order approving the Successful Bid and authorizing Growthworks to enter into any and all necessary agreements with respect to the Successful Bid and to undertake such other actions as may be necessary or appropriate to give effect to the Successful Bid.
34. The Approval Motion will be held on a date to be scheduled by the Court upon application by Growthworks. The Approval Motion may be adjourned or rescheduled by Growthworks or the Monitor without further notice by an announcement of the adjourned date at the Approval Motion.
35. All Qualified Bids (other than the Successful Bid) will be deemed rejected on the date of approval of the Successful Bid by the Court.

Other Terms

Deposits

36. All Deposits will be retained by the Monitor and invested in an interest bearing trust account. If there is a Successful Bid, the Deposit (plus accrued interest) paid by the Successful Bidder whose bid is approved at the Approval Motion will be applied to the purchase price to be paid or investment amount to be made by the Successful Bidder upon closing of the approved transaction and will be non-refundable. The Deposits (plus applicable interest) of Qualified Bidders not selected as the Successful Bidder will be returned to such bidders within 5 Business Days of the date upon which the Successful Bid is approved by the Court. If there is no Successful Bid, subject to the following paragraph, all Deposits (plus applicable interest) will be returned to the bidders within 5 Business Days of the date upon which the SISP is terminated in accordance with these procedures.
37. If a Successful Bidder breaches its obligations under the terms of the SISP (including without limitation under any Qualified Bid), its Deposit shall be forfeited as liquidated damages and not as a penalty.

Approvals

38. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law in order to implement a Successful Bid.

No Amendment

39. There will be no amendments to this SISP without the consent of the Monitor, the Financial Advisor, Growthworks and Roseway or, in the absence of consent, the approval of the Court.

Reservation of Rights

40. Growthworks, after consultation with the Financial Advisor and Roseway and with the consent of the Monitor (or in the absence of such consent, the approval of the Court), may:
- (a) impose additional terms and conditions and otherwise seek to modify the SISP at any time;
 - (b) reject all bids;
 - (c) after the Phase 2 Bid Deadline and prior to determining whether any Final Bids are Qualified Bids or selecting a Qualified Bid to recommend to the Special Committee, seek clarifications and modifications to any Final Bids received.
41. This SISP does not, and will not be interpreted to, create any contractual or other legal relationship between Growthworks and any Qualified Bidder, other than as specifically set forth in a definitive agreement that may be signed with Growthworks. At any time during the SISP, the Monitor may, following consultation with the Financial Advisor and Growthworks, upon reasonable prior notice to Roseway, apply to the Court for advice and directions with respect to the discharge of its power and duties hereunder.

TAB D

APPENDIX "D"

Court File No. CV-13-10279-00CL

**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
GROWTHWORKS CANADIAN FUND LTD.

**FIFTH REPORT OF
FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR**

January 8, 2014

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**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
GROWTHWORKS CANADIAN FUND LTD.

**FIFTH REPORT OF
FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR**

1. On October 1, 2013, GrowthWorks Canadian Fund Ltd. (the “**Fund**” or the “**Applicant**”) made an application under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the “**CCAA**”) and an initial order (the “**Initial Order**”, a copy of which is attached hereto as Appendix “A”) was made by the Honourable Justice Newbould of the Ontario Superior Court (Commercial List) (the “**Court**”) granting, *inter alia*, a stay of proceedings against the Applicant until October 31, 2013, which stay of proceedings was thereafter extended until January 15, 2014 (the “**Stay of Proceedings**”) and appointing FTI Consulting Canada Inc. as monitor of the Fund (the “**Monitor**”). The proceedings commenced by the Fund under the CCAA will be referred to herein as the “**CCAA Proceedings**”.

2. The Fund is a labour sponsored venture capital fund that currently has a mature and diversified portfolio consisting primarily of investments made in small and medium-sized Canadian businesses. The Fund was formed in 1988 with the investment objective of achieving long term appreciation for its Class A shareholders, whom principally comprise retail investors.

3. The Fund experienced liquidity issues because of, *inter alia*, an inability to access short-term financing as well as unfavourable market conditions impacting its ability to divest, at a profit, its relatively illiquid investments. As a result of these liquidity issues, the Fund was unable to meet its obligations as they became due, including the obligation of the Fund to make a \$20 million dollar payment to Roseway Capital S.a.r.l (“**Roseway**”), its sole secured creditor, which payment became due on September 30, 2013. With the consent of Roseway, the Fund filed for and obtained protection under the CCAA on October 1, 2013.
4. Prior to September 30, 2013 and the commencement of these CCAA Proceedings, the Fund’s day to day operations were delegated to GrowthWorks WV Management Ltd. (the “**Manager**”) pursuant to a Management Agreement dated July 15, 2006 (“**Management Agreement**”). In accordance with the terms of the Management Agreement, the Manager was permitted to delegate its duties under the Management Agreement to third parties. Pursuant to the Management Agreement, the Manager delegated the Manager’s obligations to GrowthWorks Capital Ltd (“**GWC**”). On September 30, 2013, the Fund terminated the Management Agreement for the reasons outlined in the Affidavit of Ian Ross, sworn September 30, 2013 and filed.
5. Pursuant to an Order granted by the Court on October 29, 2013, the Initial Order was amended and restated and the Stay of Proceedings was extended until January 15, 2014 (the “**Amended and Restated Initial Order**”). A copy of the October 29, 2013 Order attaching the Amended and Restated Initial Order is attached as Appendix “B”.
6. Pursuant to an Order granted by the Court On November 18, 2013, the Court approved a sales and investor solicitation process (“**SISP**”) for the purpose of offering the opportunity for potential investors to purchase or invest in the business or property of the Fund.

7. On November 28, 2013, the Court granted an Order authorizing the Fund, with the consent of the Monitor to, *inter alia*, make distributions to Roseway provided that certain priority payables are able to be paid by the Applicant when due.

PURPOSE OF THIS REPORT

8. The purpose of this fifth report of the Monitor is to update and inform the Court on the following:

- (a) the status of the SISP;
- (b) the status of the litigation proceedings commenced by Allen-Vanguard Corporation (“Allen-Vanguard”);
- (c) the status of the transitional services being provided to the Fund by the Manager and/or GWC;
- (d) the directors and officers insurance (“**D&O Insurance**”) coverage recently obtained by the Fund;
- (e) the oversight by the Fund of its venture portfolio (the “**Portfolio Companies**”);
- (f) the Monitor’s comments on the Applicant’s proposed Order establishing a claims solicitation and adjudication process (the “**Claims Procedure Order**”) for claims against the Applicant and the Directors and Officers (as defined therein);
- (g) the receipts and disbursements of the Fund for the period October 26, 2013 to January 3, 2014;

- (h) the Fund's cash flow projections for the period from January 4, 2014 to March 7, 2014; and
- (i) the Monitor's comments on the Applicant's request for an extension of the Stay of Proceedings.

TERMS OF REFERENCE

9. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars. Capitalized terms not otherwise defined herein have the meanings defined in the affidavit of Ian Ross, Chairman of the Fund, sworn January 7, 2013 and filed (the "**January Affidavit**").

10. This report should be read in conjunction with the January Affidavit as certain information contained in the January Affidavit has not been included herein in order to avoid unnecessary duplication.

THE SISP

11. Since early November 2013, the Applicants have taken steps to implement and carry out the sales process set out in Schedule "A" to the SISP Order. As described in the Third Report of the Monitor dated November 26, 2013 (the "**Third Report**"), CCC Investment Banking ("**CCC**"), with the assistance and consultation of the Fund and the Monitor, developed a list of potential purchasers and investors.

12. In addition, pursuant to the terms of the SISP Order, on November 22, 2013, the Monitor published in the Globe and Mail (National Edition) attached hereto as Appendix "C" and the Wall Street Journal attached hereto as Appendix "D", an advertisement of the acquisition or investment opportunity for the Fund's business and assets. As a result of the foregoing, 121

potential purchasers (the "**Potential Purchasers**") and 29 potential investors (the "**Potential Investors**", together with the Potential Purchasers, the "**Potential Parties**") were identified and in contact with CCC. Of the total Potential Parties contacted, 22 Potential Purchasers and 8 Potential Investors executed Confidentiality Agreements, received the Confidential Information Memorandum as well as access to the data room created and maintained by CCC.

13. On December 13, 2013, (the "**Phase 1 Bid Deadline**") CCC received several letters of intent ("**LOIs**") from Potential Parties, including from parties interested in a potential merger with the Fund. On December 16, 2013, the Fund, CCC and the Monitor met to (i) review the LOIs received at the Phase 1 Bid Deadline; (ii) determine whether the SISP should continue into Phase II; and (iii) if it was determined that the SISP should continue into Phase II, evaluate which of parties that submitted LOIs should be invited to continue. All submitted LOIs were evaluated on the basis of whether they met the criteria as set out in paragraph 19 of the SISP. In addition to the foregoing, the Fund, CCC and the Monitor met with Roseway on December 18, 2013, to describe the results of Phase I and to discuss the LOIs that were submitted.

14. The Special Committee in consultation with CCC and with the consent of the Monitor determined that there was a reasonable prospect of obtaining a Qualified Bid (as defined therein) and accordingly, that the SISP should continue into Phase II. The Monitor delivered its consent for the SISP to continue into Phase II to the Special Committee on December 20, 2013.

15. As a result of the foregoing determination, Phase II of the SISP commenced December 20, 2013. In accordance with the terms of the SISP, Qualified Bidders are required to deliver a final binding proposal to CCC by February 3, 2014 (the "**Phase II Bid Deadline**"). At any time during Phase II, the Fund, in consultation with CCC and Roseway and with the consent of the Monitor may extend the Phase II Bid Deadline by 15 days.

THE STATUS OF THE ALLEN-VANGUARD LITIGATION PROCEEDINGS

16. As outlined more fully in the Third Report, on October 28, 2013, counsel to Allen-Vanguard served the Fund, the Monitor and all parties on the service list in the within proceedings, a notice of motion (the “**Allen-Vanguard Motion**”) for, *inter alia*, an Order by this Court that the Stay of Proceedings does not apply to the continuation of the proceedings bearing Court File No. 08-CV-43188 and Court File No. 08-CV-43544 (the “**Allen-Vanguard Proceedings**”).

17. The Allen-Vanguard Motion is derived from litigation proceedings commenced by Allen-Vanguard against the Fund and other offeree shareholders and which relate to Allen-Vanguard’s purchase of shares held by the Fund and other offeree shareholders in Med-Eng Systems Inc. (“**MES**”). Pursuant to the Amended Statement of Claim in the Allen-Vanguard Proceedings, Allen-Vanguard claimed against the Fund and the other offeree shareholders, damages for fraudulent and/or negligent misrepresentation and breach of contract in the amount of \$650 million, of which \$40 million would be paid out of an escrow agreement entered into on closing of the sale of the MES shares (the “**Escrow Agreement**”) plus pre-judgment and post-judgment interest and costs on a substantial indemnity basis (the “**Allen-Vanguard Claim**”). The main issue of concern for the Fund is whether the Fund and the other offeree shareholders are liable for amounts in excess of the \$40 million in escrow. The outcome of this dispute could materially impact the quantum and timing of distributions from any proceeds realized in the SISP to stakeholders other than Roseway, including its approximately 90,000 shareholders.

18. Pursuant to the endorsement of Justice Mesbur dated November 12, 2013, the Allen-Vanguard Motion is to be heard on February 11, 2014 and the parties are required to file materials and conduct cross examinations according to the timetable established therein.

19. On November 28, 2013, the Fund served a Notice of Cross Motion returnable February 11, 2013 (the “**Cross Motion**”). The Cross Motion is for an Order directing the trial of certain issues to be heard by way of mini trial in the CCAA Proceedings, including the issue as to whether Allen-Vanguard is entitled to seek damages beyond the \$40 million dollar amount held in escrow pursuant to the Escrow Agreement.

TRANSITIONAL SERVICES

20. As outlined in greater detail in the Third Report, pursuant to the Amended and Restated Initial Order, the Manager and GWC were designated as critical suppliers in connection with the provision of transitional services to the Applicant. The scope of the transitional services to be provided by the Manager as well as the methodology for calculating the costs of such transitional services were agreed to in a Critical Services Transition Agreement entered into between the Applicant and the Manager on October 25, 2013 (the “**CTSA**”).

21. Since entering into the CTSA, the Fund has identified certain additional transition services which were not outlined in the scope of transitional services to be provided in the CTSA but are needed by the Fund. Accordingly, the Fund and the Manager, with the oversight of the Monitor, have negotiated for the provision of certain additional transition services to be provided by the Manager, namely recording certain shareholder information and administrative requests and processing account changes as they relate to certain RIF transfers from RRSPs. The Manager has begun and continues to provide these transition services to the Fund in addition to other ongoing services in accordance with the CTSA.

22. In addition to the foregoing, pursuant to the CTSA, the Manager is required to provide assistance with the Fund’s ongoing audit and valuation for fiscal 2013. The Fund and the

Manager continue to work with the auditors in this regard and it is currently estimated that the 2013 audit will be completed in mid to late January.

D&O INSURANCE

23. The Fund's D&O Insurance policy expired on December 9, 2013. In order to ensure that the directors of the Fund continued to serve throughout the CCAA Proceedings, the Fund began exploring options in order to ensure sufficient coverage for its directors and officers.

24. The board of directors of the Fund determined the renewal terms offered by its existing carrier were not economic and after a thorough canvass of the market, approved coverage with a new carrier at a reduced coverage amount and term. The approximate cost of the continued coverage is \$285k and includes coverage for 12 months. The proposed D&O Insurance coverage was discussed with counsel to Roseway prior to the Fund obtaining binding D&O Insurance.

25. The board of directors of the Fund also approved the continued standalone policy of D&O Insurance for the members of the Independent Review Committee (the "IRC") of the board of directors of the Fund. The approximate cost of the continued coverage is \$15k and extends coverage for a one year period. The proposed IRC insurance coverage was discussed with counsel to Roseway prior to the Fund obtaining binding insurance.

OVERSIGHT OF THE PORTFOLIO COMPANIES

26. The Fund continues to work with senior management and/ or other significant players in respect of certain active Portfolio Companies. The Fund maintains ongoing communication with certain of the Portfolio Companies and continues to attend board meetings

of certain active Portfolio Companies, where necessary. The Fund also continues to keep the Monitor apprised of the activities of the Portfolio Companies .

THE CLAIMS PROCEDURE ORDER

27. Defined terms in this section of the report, not otherwise defined herein, have meanings ascribed to them in the draft Claims Procedure Order. The Fund seeks the approval of the Claims Procedure in the form of the draft Order attached as Tab “3” to the Fund’s Motion Record. The Claims Procedure Order will allow the Fund to solicit and determine all Claims, D&O Claims and D&O Indemnity Claims, except Excluded Claims.

Claims Bar Date

28. The Applicant proposes that anyone asserting a Claim or D&O Claim be required to submit their Proof of Claim with the Monitor by no later than 5:00pm EST on March 6, 2014 (the “**Claims Bar Date**”).

29. The Applicant proposes that any Director or Officer that seeks to assert a D&O Indemnity Claim in response to a submitted D&O Claim, be required to submit their Proof of Claim to the Monitor within fifteen (15) Business Days following the receipt of D&O Claims. (“**D&O Indemnity Claims Bar Date**”).

30. The Monitor is of the view that the Claims Bar Date and the D&O Indemnity Claims Bar Date are reasonable. The Claims Bar Date and the D&O Indemnity Claims Bar Date provide sufficient time for Claimants and the Directors and Officers to evaluate and submit any Claim/D&O Indemnity Claim, as applicable.

Solicitation of Claims Generally

31. There are three types of affected claims that are being solicited and determined by the Monitor pursuant to the Claims Procedure Order:

- (a) *Claims*, other than Excluded Claims, which may be asserted against the Fund that (i) are based in whole or in part on facts prior to the Claims Bar Date, (ii) relate to a time period prior to the Claims Bar Date and (iii) are rights or claims of any kind that would be claims provable in bankruptcy within the meaning of the BIA had the Applicant become bankrupt on the Claims Bar Date.
- (b) *D&O Claims*, which are (i) Claims that may be asserted or made against one or more Directors or Officers that relates to a Claim for which such Directors or Officers are by law liable to pay in their capacity as Directors or Officers, or (ii) any right or claim of any Person that may be asserted or made in whole or in part against one or more Directors or Officers, in that capacity, (A) is based in whole or in part on facts prior to the Claims Bar Date, or (B) relates to a time period prior to the Claims Bar Date, but not including an Excluded Claim.
- (c) *D&O Indemnity Claims*, which are Claims of any Director or Officer against the Applicant, which arose or arises as a result of any Person asserting a D&O Claim for which such Director or Officer is entitled to be indemnified by the Applicant.

Excluded Claims

32. The Claims Procedure Order does not apply to the following Excluded Claims:

- (i) any Claim entitled to the benefit of the Administration Charge;

- (ii) the Claims of Roseway pursuant to the Participation Agreement dated May 28, 2010, including the disputed portion of such Claims, which shall be determined separately in these CCAA Proceedings; and
- (iii) any Post-Filing Claims.

Notice to Claimants

33. The draft Claims Procedure Order provides for the following notification of the Claims Process:

- (a) The Monitor shall, no later than two Business Days following the making of the Claims Procedure Order, post a copy of the Proof of Claim Document Package on the Monitor's website;
- (b) the Monitor shall no later than seven Business Days following the making of the Claims Procedure Order, cause the Notice to Claimants to be published once in the Globe and Mail newspaper (National Edition);
- (c) other than to Allen-Vanguard, the Monitor shall, within seven Business Days following the making of the Claims Procedure Order, send a Proof of Claims Document Package to all known Creditors, including to the Manager and to AGTL Shareholders, in accordance with the Applicant's books and records.

Adjudication

34. The Monitor will review all Proof of Claims in respect of filed Claims, D&O Claims and D&O Indemnity Claims and may (i) attempt to resolve and settle any issue in respect of any such claims; (ii) accept any Claim, D&O Claim or D&O Indemnity Claim; or (iii) by

notice in writing revise or disallow any such Claim, D&O Claim or D&O Indemnity Claim as applicable. .

Claims of Allen-Vanguard

35. To address the Allen-Vanguard Claim, the Claims Procedure Order provides that:
- (a) Allen-Vanguard will have been deemed to submit a Proof of Claim on account of the Allen-Vanguard Claim;
 - (b) the Monitor shall be deemed to have delivered a Notice of Revision and Disallowance disallowing the Allen-Vanguard Claim in its entirety;
 - (c) Allen-Vanguard shall have been deemed to submit a Dispute Notice disputing such disallowance of the entirety of the claim by the Monitor; and
 - (d) the procedure for determining the Allen-Vanguard Claim shall not be determined until after the hearing or other determination of the pending motion of Allen-Vanguard and cross-motion of the Applicant, now scheduled for February 11, 2014, unless otherwise agreed by the Applicant, the Monitor and Allen-Vanguard.

Claims of the Manager

36. Prior to September 30, 2013 and the commencement of these CCAA Proceedings, the management of the Fund's venture portfolio and other day-to-day operations were delegated to the Manager. On September 30, 2013, the Fund terminated the Management Agreement. Pursuant to a letter dated November 26, 2013, from the Manager to the Fund, the Manager, *inter alia*, rejected the basis for the Fund's termination of the Management Agreement. Accordingly,

the Manager takes the position that having being terminated without cause, the Manager is entitled to damages in the approximate amount of \$18,000,000.

37. To address the Manager's claim, the Claims Procedure Order provides that the Manager shall be deemed to have submitted a Proof of Claim in the amount of \$18,000,000 (the "**Manager Claim**"). In addition, the Manager may deliver a Statement of Claim setting out its claim against the Applicant. The Statement of Claim, if any, shall be delivered to the Applicant and the Monitor on or before the Claims Bar Date.

38. The Applicant, in consultation with the Monitor, may revise or disallow the Manager Claim (in whole or in part) and dispute any allegation contained in the Statement of Claim attached to the Manager's Proof of Claim, if any, by delivering to the Manager a Notice of Revision or Disallowance, which shall attach a Statement of Defence and Counterclaim setting out the basis for the revision or disallowance and any counterclaims against the Manager.

39. To the extent the Manager intends to dispute the Notice of Revision or Disallowance, the Manager shall deliver a Notice of Dispute in accordance with the terms of the Claims Procedure Order and shall attach a Reply and Defence to Counterclaim.

40. If the Manager's Dispute is not settled within a time period satisfactory to the Monitor in consultation with the Applicant and the Manager (after delivery of any pleadings) or in a manner satisfactory to the Monitor in consultation with the Applicant and the Manager, then the Applicant, the Manager and the Monitor shall attend before a judge of the Court to set a timetable for all procedural steps necessary for the hearing of the Manager Dispute.

41. The Monitor understands that counsel for the Applicant consulted with counsel for the Manager with respect to the method of addressing the Manager's claim proposed in the

draft Claims Procedure Order (as outlined above) and that the Manager has agreed to the proposed methodology.

Monitor's Role in the Claims Procedure

42. In summary, the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and under the Initial Order, shall administer the Claims Process, including, without limitation, by:

- (a) publishing notice of the Claims Process once in The Globe and Mail (National) edition;
- (b) other than to Allen Vanguard, sending Proof of Claim Document Packages to known Creditors, including to the Manager and the AGTL Shareholders, and to Persons requesting Proof of Claim Document Packages;
- (c) reviewing Proofs of Claim and D&O Proofs of Claim, in consultation with Applicants;
- (d) sending D&O Proofs of Claim received to the affected Directors and Directors;
- (e) sending Notices of Revision or Disallowance;
- (f) in accordance with the terms of the Claims Procedure Order, resolving and settling Claims, D&O Claims and D&O Indemnity Claims and/or accepting a Claim, D&O Claim, or D&O Indemnity Claim as applicable;
- (g) dealing with the Manager's Claim in accordance with the terms of the Claims Procedure Order; and

- (h) seeking further direction of the Court concerning an appropriate process for resolving any remaining disputes with respect to Claims, D&O Claims and D&O Indemnity Claims.

The Monitor's comments

43. The Monitor is of the view that the proposed Claims Procedure Order is appropriate and reasonable in the circumstances. The Claims Procedure Order will enable the Fund to identify and determine the amount and nature of any claims that may be asserted against it in addition to the known claims of the Manager and Allen-Vanguard. This will assist the Fund and Monitor in evaluating any transaction submitted that requires the amount and nature of all claims to be identified at the end of Phase II of the SISP.

44. In addition to the foregoing, in an effort to maintain a cost efficient CCAA process, the proposed Claims Procedure Order does not require the Monitor to send Notices of Revision or Disallowance by a prescribed date. Accordingly, the Monitor will review all Proofs of Claim filed and intends to use its discretion to respond to and, if necessary, adjudicate disputed claims in accordance with the proposed Claims Procedure Order only if the results of the SISP necessitate doing so prior to the closing of any transaction. Therefore, the cost of administering the proposed Claims Procedure and, if necessary, adjudicating disputed claims should be minimal at the outset.

**ACTUAL RECEIPTS AND DISBURSEMENTS OF THE FUND FOR THE PERIOD
OCTOBER 26, 2013 TO JANUARY 3, 2014**

45. The Fund's actual net cash flow for the period from October 26, 2013 to January 3, 2014 (the "**Current Period**") together with an explanation of key variances as compared to

the October 26 Forecast is set out below. Actual net cash flows for the Current Period were approximately \$1.25 million higher than forecast, summarized as follows:

\$000	Forecast	Actual	\$ Variance
Cash Inflow			
Venture Exits and/or Distributions from Portfolio Companies	\$ 1,238	\$ 744	\$ (494)
Cash and Cash Equivalents	\$ -	\$ 1,896	\$ 1,896
Total Cash Inflow	\$ 1,238	\$ 2,639	\$ 1,401
Cash Outflow			
Follow on Funding	\$ -	\$ -	\$ -
CEO Fees & Expenses	\$ 66	\$ 50	\$ (16)
Board Fees	\$ -	\$ -	\$ -
Insurance Fees	\$ 100	\$ -	\$ (100)
Financial Advisor Fees	\$ 275	\$ 206	\$ (69)
Other	\$ 223	\$ 213	\$ (10)
Total Cash Outflow	\$ 664	\$ 469	\$ (195)
Restructuring Costs			
Professional Fees	\$ 1,070	\$ 1,416	\$ 346
Total Restructuring Fees	\$ 1,070	\$ 1,416	\$ 346
Net Cash Flow	\$ (496)	\$ 754	\$ 1,250
Opening Cash Balance	\$ 4,575	\$ 4,575	\$ -
Net Cash Flow	\$ (496)	\$ 754	\$ 1,250
Unrealized FX Gain/Loss	\$ -	\$ 63	\$ 63
Ending Cash Balance	\$ 4,079	\$ 5,392	\$ 1,314

Note: The cash balance is denominated in USD and has been translated to CAD based on foreign exchange rates from the Bank of Canada. The Unrealized Gain/Loss balance is subject to change and will fluctuate with the USD/CAD exchange rate.

46. The variance in actual receipts and disbursements is comprised primarily of the following:

- (a) A negative variance of approximately \$500,000 in venture exits and/or distributions from Portfolio Companies. The variance is permanent in nature and relates to expected payments that did not materialize but which were partially offset by unforecasted payments that were received from various Portfolio Companies;

- (b) A positive variance of approximately \$1.9 million in cash and cash equivalents. This variance is permanent in nature and is made up of funds transferred from accounts held at RBC in the name of the Manager for the benefit of the Fund;
- (c) A positive variance of approximately \$100,000 in D&O Insurance costs. This variance is temporary in nature; and
- (d) A negative variance of approximately \$350,000 in professional and other fees.

47. As discussed above, the additional funds totaling approximately \$1.9 million that were held in RBC accounts in the name of the Manager for the benefit of the Fund have since been transferred to trust accounts set up by the Monitor. The Monitor has placed approximately \$965 thousand in a one year cashable GIC at an interest rate of 1.1%. These funds have been placed in a one year GIC (the “GIC”) in accordance with the direction from the Company and pursuant to a prospectus filed by the Company in respect of its Class A shares, including GIC series shares.

48. The Monitor is aware of a dispute between Roseway and the Fund as to Roseway’s entitlement to approximately \$2 million included in the cash at bank under the control of the Monitor. The Monitor is holding the disputed funds separately (the “**Segregated Funds**”), on the express understanding that segregation of these funds does not indicate the Fund’s, or the Monitor’s agreement as to Roseway’s claim to the Segregated Funds. The Segregated Funds remain available to the Fund should they be needed. The Monitor and Monitor’s counsel are willing to assist in resolving such dispute if requested to do so.

THE COMPANY’S CASH FLOW FORECAST

49. The Company has prepared a revised cash flow forecast for the period January 4, 2014 to March 7, 2014 (the "**January 4 Forecast**"). A copy of the January 4 Forecast is attached as Appendix "E". The January 4 Forecast shows a positive net cash flow of approximately \$3.7 million, and is summarized below:

Cash Inflow	
Venture Exits and/or Distributions	6,444
Total Cash Inflow	6,444
Cash Outflow	
Follow on Funding	100
CEO Fees & Expenses	66
Insurance Fees	301
Legal & Financial Advisor Fees	544
Board Fees	160
Other	148
Total Cash Outflow	1,319
Restructuring Costs	
Legal & Professional Fees	1,458
Total Restructuring Fees	1,458
Net Cash Flow	3,667
Opening Cash Balance	5,392
Net Cash Flow	3,667
Ending Cash Balance	9,059

50. It is anticipated that the Company's projected liquidity requirements throughout the January 4 Forecast period will continue to be met by existing cash available to the Company.

STAY EXTENSION

51. The stay period currently expires on January 15, 2014 (the "**Stay Period**"). Continuation of the Stay of Proceedings is required for the Fund to facilitate the development and implementation of the SISF. Accordingly, the Fund seeks an extension of the Stay Period to March 7, 2014. The Fund and the Monitor believe that the proposed extension to the Stay Period

will allow an appropriate amount of time for (i) the Fund to proceed with Phase II of the SISP and (ii) for the Fund, CCC and the Monitor to analyze the value of any bids received against each other.

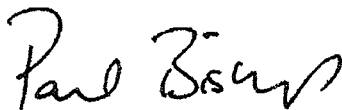
52. The Monitor believes that the various stakeholders and creditors of the Fund would not be materially prejudiced by an extension of the stay period to March 7, 2014. The Monitor is also of the belief that the Fund has acted, and is acting, in good faith and with due diligence and that circumstances exist that warrant an extension of the stay to March 7, 2014.

The Monitor respectfully submits to the Court this Fifth Report.

Dated this 8th day of January, 2014.

FTI Consulting Canada Inc.

in its capacity as Monitor of GrowthWorks Canadian Fund Ltd. and not in its personal or corporate capacity



Paul Bishop
Senior Managing Director



Jodi B. Porepa
Managing Director

TAB E

APPENDIX "E"

NOTICE TO CLAIMANTS AGAINST GROWTHWORKS CANADIAN FUND LTD.

(hereinafter referred to as the "Applicant")
NOTICE OF CLAIMS PROCEDURE FOR THE APPLICANT PURSUANT TO THE COMPANIES' CREDITORS ARRANGEMENT ACT (the "CCAA")
 PLEASE TAKE NOTICE that on January 9, 2014, the Superior Court of Justice of Ontario issued an order (the "Claims Procedure Order") in the CCAA proceeding of the Applicant requiring that all Persons who assert a Claim (capitalized terms used in this notice and not otherwise defined have the meaning given to them in the Claims Procedure Order) against the Applicant, whether unliquidated, contingent or otherwise, and all Persons who assert a claim against Directors or Officers of the Applicant (as defined in the Claims Procedure Order, a "D&O Claim"), must file a Proof of Claim (with respect to Claims against the Applicant) or D&O Proof of Claim (with respect to D&O Claims) with FTI Consulting Canada Inc. (the "Monitor") on or before 5:00 p.m. (prevailing Eastern time) on March 6, 2014 (the "Claims Bar Date"), by sending the Proof of Claim or D&O Proof of Claim to the Monitor by prepaid ordinary mail, registered mail, courier, personal delivery or electronic transmission at the following address:
 FTI Consulting Canada Inc., GrowthWorks Canadian Fund Ltd. Monitor
 Address: TD Waterhouse Tower
 79 Wellington Street West
 Suite 2010, P.O. Box 104
 Toronto, Ontario Canada, M5K 1G8
 Fax No.: (416) 649-8101
 Email: growthworkscanadianfundhd@fticonsulting.com
 Attention: Paul Bishop and Joel Porepa
 Pursuant to the Claims Procedure Order, Proof of Claim Document Packages, including the form of Proof of Claim and D&O Proof of Claim will be sent to known Creditors as specified in the Claims Procedure Order by mail, on or before January 20, 2014. Claimants may also obtain the Claims Procedure Order and a Proof of Claim Document Package from the website of the Monitor at <http://canada.fticonsulting.com/gcl/d&oaufund>, or by contacting the Monitor by telephone (1-855-431-3185 and 416-649-8087).
 Only Proofs of Claim and D&O Proofs of Claim actually received by the Monitor on or before 5:00 p.m. (prevailing Eastern time) on March 6, 2014 will be considered filed by the Claims Bar Date. It is your responsibility to ensure that the Monitor receives your Proof of Claim or D&O Proof of Claim by the Claims Bar Date.
CLAIMS AND D&O CLAIMS WHICH ARE NOT RECEIVED BY THE CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

GlobeSports
 TO SUBSCRIBE CALL 1-866-36 GLOBE THE GLOBE AND MAIL

Business Assets for Sale

PricewaterhouseCoopers Inc., in its capacity as court appointed Receiver of:
SHS Services Management Inc. / Gestion des Services SHS Inc. and SHS Services Limited Partnership ("SHS")
 is seeking interested parties to acquire a rental portfolio comprising approximately 3,400 residential water heaters and other HVAC equipment that is rented to customers across Canada under contracts ranging from 5 to 15 years (the "SHS Rental Portfolio").
Binding offers on the SHS Rental Portfolio are due on February 10, 2014.
 For additional information concerning the SHS Rental Portfolio and the sale process, please contact
PWC
 Madison Pearlstein of the Receiver at 1-416-814-5890.

DIVIDENDS

DIVIDENDS

Computershare

Notice is hereby given that the following dividends have been declared.

ISSUER	ISSUE	RECORD DATE	PAYABLE DATE	RATE
AlbGas Ltd.	Common	January 27, 2014	February 18, 2014	\$0.1275
Keyera Corp.	Common	January 22, 2014	February 18, 2014	\$0.20
Pembina Pipeline Corp.	Common	January 25, 2014	February 14, 2014	\$0.14
Pembina Pipeline Corp.	Preferred Class A Series 1	February 1, 2014	March 1, 2014	\$0.265625
Pembina Pipeline Corp.	Preferred Class A Series 3	February 1, 2014	March 1, 2014	\$0.28375
Pivot Technology Solutions, Inc.	Series A	January 27, 2014	February 3, 2014	\$0.00407671 Preferred

NOTICE

Notice is hereby given that a Certificate of Intent to Dissolve was issued to PCNX Capital Corp. on December 19, 2013.
 Dated at
 Winnipeg, Manitoba on December 19, 2013.
 Martin Weinberg
 President and a Director
 PCNX Capital Corp.

BUSINESS TO BUSINESS

AIRCRAFT
FOR SALE BY CLOSED BID AUCTION
 Aviat A-1C 518 TT. For More information: tim@anderssonavalton.ca

BUSINESS OPPORTUNITIES

FINANCIAL PARTNER up to \$200K required. Good capital gains profit in 2014. E-mail: Capital-corp@outlook.com

BUSINESS SERVICE DIRECTORY

Gallery/Giftshop for sale. Can Fine Craft 30+ yrs in Kingston ON. Profitable turn-key business. \$180K. etraser@storm.ca

FINANCIAL SERVICES

Loan Problem? Yes. We can help! Get 500K personal/biz loan with int. rates starting at 1.99%. Bad credit/bankruptcy ok. Call us now at 1-866-531-2579

TAB F

APPENDIX "F"

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

THE HONOURABLE) THURSDAY, THE 28TH
MADAM JUSTICE MESBUR) DAY OF NOVEMBER, 2013

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

**AND IN THE MATTER OF A PROPOSED PLAN OF
COMPROMISE OR ARRANGEMENT WITH RESPECT TO
GROWTHWORKS CANADIAN FUND LTD.**

ORDER AUTHORIZING DISTRIBUTIONS

THIS MOTION, made by Roseway Capital S.a.r.l. ("Roseway") for an order:

(a) that the security agreement granted by GrowthWorks Canadian Fund Ltd. ("GrowthWorks") to Roseway Capital LP and subsequently assigned by Roseway Capital LP to Roseway (the "Security Agreement") creates a valid security interest in the Collateral (as defined in the Security Agreement; herein the "Collateral") perfected in accordance with the *Personal Property Security Act* (Ontario)(the "PPSA"); and

(b) that GrowthWorks, with the consent of FTI Consulting Canada Inc., in its role as court-appointed Monitor to Growthworks (the "Monitor"), may make distributions of the Collateral or the proceeds from the Collateral from time to time to Roseway, without further Order of this Court, subject to certain conditions as set out in the draft Order,

was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the Motion Record of Roseway, including the affidavit of Michael Forer sworn November 22, 2013, and the Fourth Report of the Monitor dated November 27, 2013, and on hearing the submissions of counsel for Roseway, GrowthWorks and the Monitor, no one else appearing although properly served as appears from the affidavit of service of Marna McGeorge sworn on November 22, 2013, filed,

1. THIS COURT ORDERS AND DECLARES that the Security Agreement creates a valid security interest in the Collateral perfected in accordance with the PPSA.

2. THIS COURT ORDER THAT GrowthWorks, with the consent of the Monitor, may (a) make distributions of the Collateral or the proceeds from the Collateral from time to time to Roseway, and (b) repay Roseway from proceeds of the Sale and Investor Solicitation Process approved by this Court by Order dated November 18, 2013, in each case without further Order of this Court, provided however that prior to making such distributions or payment the Monitor shall be satisfied, acting reasonably, that the Priority Payables (as defined below) are being paid when due and that the funds remaining in the hands of GrowthWorks and the Monitor after any such distribution to Roseway are sufficient to pay Priority Payables accrued to the date of any such distribution.

3. THIS COURT ORDERS that for the purposes of this Order, the term "Priority Payables" shall mean:

(a) amounts secured by the Administration Charge (as defined in the Initial Order herein dated October 1, 2013, as amended and restated by further Order herein dated October 29, 2013 (the "Initial Order")), to the maximum amount of \$500,000,

(b) amounts secured by the Directors' Charge (as defined in the Initial Order), to the maximum amount of \$1,000,000,

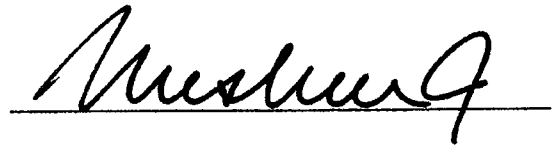
(c) amounts secured by the Critical Supplier's Charge (as defined in the Initial Order), to the maximum amount of \$50,000,

(d) amounts due to the Government of Canada or a Province (each, a "Governmental Entity") which, by virtue of a statutory deemed trust or lien in

favour of such Governmental Entity, are payable in priority to the secured claim of Roseway at the time of any proposed distribution to Roseway, and

(e) amounts due to employees or former employees of GrowthWorks which are payable in priority to the secured claim of Roseway at the time of any proposed distribution to Roseway.

4. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the *Companies' Creditors Arrangement Act* or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of the making of any distribution to Roseway in accordance with this Order, save and except for any gross negligence or wilful misconduct on its part.



ENCLAVE COURT HOUSE TORONTO
ON / 400 GERRARD ST. E.
LE / 400 GERRARD ST. E. TORONTO, ONT.

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TAB G

APPENDIX "G"

Growthworks Canadian Fund Ltd.
9 Week Cash Flow Forecast
CAD \$'000

	Week 1 7-Mar	Week 2 14-Mar	Week 3 21-Mar	Week 4 28-Mar	Week 5 4-Apr	Week 6 11-Apr	Week 7 18-Apr	Week 8 25-Apr	Week 9 2-May	9 week Total
Cash Ending	-	406	406	2,776	406	406	406	406	989	6,202
Cash Inflow	-	406	406	2,776	406	406	406	406	989	6,202
Venture Exits and/or Distributions										
Total Cash Inflow										
Cash Outflow										
Follow on Funding	31	-	-	-	-	-	-	-	-	31
CEO Fees & Expenses	-	11	15	11	-	-	-	-	-	37
Payroll & Benefits	-	-	-	-	13	13	13	13	2	53
Insurance Fees	-	-	-	-	-	-	-	-	-	-
Legal & Financial Advisor Fees	55	25	10	180	10	-	-	-	-	280
Board Fees	-	-	-	-	100	-	-	-	-	100
Rent, Communications & Utilities	-	-	-	-	-	-	1	-	-	1
Other	-	-	6	55	-	-	6	-	-	66
Total Cash Outflow	87	36	31	246	123	13	19	13	2	568
Restructuring Costs										
Advisor Fees	99	33	33	251	10	10	10	10	10	467
Total Restructuring Fees	99	33	33	251	10	10	10	10	10	467
Net Cash Flow	(186)	338	343	2,279	273	383	377	383	977	5,167
Opening Cash Balance	7,915	1,879	2,217	2,560	4,838	5,111	5,495	5,871	6,255	7,915
Net Cash Flow	(186)	338	343	2,279	273	383	377	383	977	5,167
Repayment of Obligation to Roseway	(5,851)									(5,851)
Ending Cash Balance	1,879	2,217	2,560	4,838	5,111	5,495	5,871	6,255	7,232	7,232

1 The purpose of this Cash Flow Forecast is to determine the liquidity requirements for Growthworks Canadian Fund Ltd. during the CCAA Proceedings.

2 Receipts have been forecast based on expected venture exits and/or distributions from Portfolio Companies.

3 Follow on Funding is based on management's estimate of possible requirements.

4 Operating expenses are forecast based on historical analysis and estimates from services providers.

5 Estimated Restructuring costs are based on projected costs associated with legal and professional fees relating to the CCAA Proceedings.

6 The Repayment of the Roseway Obligation includes proceeds from the recent disposal of the Fund's interest in one of its Portfolio Companies and disputed proceeds described in detail in the Monitor's Second Report. The repayment of the disputed proceeds is on a 'without prejudice' basis.

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
GROWTHWORKS CANADIAN FUND LTD.

Court File No: CV-13-10279-00CL

Ontario
**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**
Proceeding commenced at Toronto

**THE SIXTH REPORT OF
FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR**

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