

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

NO: 500-11-049737-154

DATE: December 15, 2015

PRESIDING: THE HONOURABLE JEAN-FRANÇOIS MICHAUD, J.S.C.

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

**BLUBERI GAMING TECHNOLOGIES INC. /
BLUBERI JEUX ET TECHNOLOGIES INC.
BLUBERI GROUP INC.
BLUBERI USA, INC.**

Insolvent Debtors/Petitioners

and

ERNST & YOUNG INC.

Monitor

and

CALLIDUS CAPITAL CORPORATION

Mis-en-Cause

ORDER FOR THE APPOINTMENT OF A CHIEF RESTRUCTURING OFFICER

- [1] **ON READING** Bluberi Gaming Technologies Inc., Bluberi Group Inc. and Bluberi USA, Inc. (the "**Petitioners**")'s *Motion for extension of the stay period, for the appointment of a Chief Restructuring Officer and for an order authorizing the payment of certain pre-filing obligations* pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (as amended, the "**CCAA**") and the exhibits, the affidavit of Mr. Gérald Duhamel filed in support thereof (the "**Motion**"), the report

of Ernst & Young Inc. (represented by Mr. Martin Rosenthal, CPA, CA, CIRP) as Monitor (the "**Monitor**"), relying upon the submissions of counsel of the parties and being advised that the interested parties, including secured creditors who are likely to be affected by the charge created herein were given prior notice of the presentation of the Motion;

[2] **CONSIDERING** the representations of the parties;

[3] **SEEING** the provisions of the CCAA;

WHEREFORE, THE COURT:

[4] **GRANTS** the Motion in part by this Order;

[5] **DECLARES** that all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Motion and in the Amended and Restated Initial Order issued on November 18, 2015 in this matter;

SERVICE

[6] **DECLARES** that sufficient prior notice of the presentation of the Motion has been given by the Petitioners to interested parties who are likely to be affected by the charges created herein, that supporting material is good and sufficient and further service thereof is hereby dispensed with;

APPOINTMENT OF THE CHIEF RESTRUCTURING OFFICER

[7] **ORDERS** that the engagement letter dated December 14, 2015 and filed in support of the Motion as Exhibit R-2 (the "**CRO Engagement Letter**") whereby the Petitioners have engaged Pernica Advisory Services Inc. ("**PAS**") to provide the services of Joseph Pernica to act as Chief Restructuring Officer of the Petitioners ("**CRO**" and together with PAS, the "**CRO Group**") and the appointment of the CRO pursuant to the terms and conditions set forth in the CRO Engagement Letter is hereby approved, including, without limitation, the payment of all of the fees and expenses of the CRO Group and their attorneys (collectively the "**CRO Expenses**");

[8] **ORDERS** that the Petitioners, the Monitor, and the CRO Group shall be bound by the terms and conditions of the CRO Engagement Letter and that the Petitioners, the Monitor, and the CRO Group are hereby authorized to perform all of their respective obligations pursuant to the terms and conditions of the CRO Engagement Letter and that the Petitioners, the Monitor and the CRO Group shall benefit from all of the indemnities and other rights accruing to each of them thereunder;

[9] **ORDERS** that the CRO is hereby directed and empowered to exercise and perform all of the powers, responsibilities and duties described in the CRO Engagement Letter, as well as all other ancillary powers, responsibilities or duties as may be necessary or useful in order to give full and proper effect to the terms and conditions of the CRO Engagement Letter or this Order (collectively the "**CRO Powers**");

- [10] **ORDERS** that the CRO shall not be or be deemed to be a director or employee of any of the Petitioners;
- [11] **ORDERS** that the Petitioners and their shareholders, direct and indirect subsidiaries, former and current officers, directors, employees, servants, agents and representatives (the “**Company Persons**”) shall cooperate fully with the CRO in the exercise the CRO Powers. Without limiting the generality of the foregoing, the Company Persons shall provide the CRO with such access to the Petitioners’ and their direct and indirect subsidiaries’ books, records, assets and premises as the CRO requires to exercise the CRO Powers;
- [12] **ORDERS** that the CRO Group shall incur no liability or obligation as a result of the engagement under the CRO Engagement Letter or the fulfillment or exercise of the CRO Powers, save and except for gross negligence or wilful misconduct on the CRO’s part, provided further, that in no event shall the liability of the CRO exceed the quantum of the fees paid to the CRO Group, and that the CRO shall not, as a result of the fulfillment or exercise of the CRO Powers, be deemed to occupy or take control, care, charge, possession or management of any of the property of the Petitioners within the meaning of any environmental legislation;
- [13] **ORDERS** that no action or other proceeding shall be commenced directly, or by way of counterclaim, or otherwise, against or in respect of any member of the CRO Group as a result of or relating in any way to the engagement under the CRO Engagement Letter, the fulfillment or exercise of the CRO Powers or the carrying out of any of the orders of this Court, and all rights and remedies of any person against or in respect of them are hereby stayed and suspended, except with the written consent of the CRO or with leave of this Court on notice to the Petitioners, the Monitor and the CRO. Notice of any such motion seeking leave shall be served upon the Petitioners, the Monitor and the CRO at least seven (7) days prior to the return date of any such motion for leave;
- [14] **ORDERS** that the Petitioners shall pay the CRO Expenses in accordance with the terms and conditions of the CRO Engagement Letter;
- [15] **ORDERS** that the Administration Charge created pursuant to the Amended and Restated Initial Order issued by this Court on November 18, 2015, shall secure:
- (a) all of the indemnities and rights accruing to and/or benefiting the CRO Group under the CRO Engagement Letter and this Order; and
 - (b) all of the CRO Expenses.

The amount of the Administration Charge is not changed by this Order;

- [16] **ORDERS** that the rights and obligations of the CRO pursuant to the CRO Engagement Letter and Order shall be treated as unaffected and may not be compromised in any plan of arrangement or proposal filed by the Petitioners in respect of any insolvency legislation;

- [17] **ORDERS** that the Petitioners will indemnify and hold harmless the CRO Group for and against all claims, obligations or liabilities that any member of the CRO Group may incur or for which any member of the CRO Group may become responsible by reason of or in relation to the CRO Engagement Letter, the fulfillment or exercise of the CRO Powers or this Order, except where such claims, obligations or liabilities result from the CRO's gross negligence, willful misconduct or gross or intentional fault provided, however, that in no event shall the liability of the CRO Group exceed the quantum of fees paid to the CRO Group. The foregoing indemnity shall survive termination of the CRO's Engagement or the CRO's discharge;
- [18] **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 Administration Charge; and
 - b) the CRO Group shall only be entitled to the benefit of the Administration Charge for indemnification to the extent that the CRO Group does not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts for which any member of the CRO Group is entitled to be indemnified under the CRO Engagement Letter or this Order;
- [19] **ORDERS** that the CRO may be removed by order of this Court or may resign, in accordance with the terms and conditions contained in the CRO Engagement Letter;
- [20] **ORDERS** that the appointment of the CRO and the granting of the CRO Powers will not constitute the sale or disposition of the Business or the sale or disposition of any of the Property and such Business and Property will continue to be the Business and Property of the Petitioners unless and until sold in whole or in part to a purchaser;
- [21] **ORDERS** that the CRO shall be subject to the supervisory jurisdiction of the Court;
- [22] **ORDERS** that the CRO may request the Monitor to apply or may itself apply to this Court from time to time for advice and directions concerning any matter pertaining to the CRO Engagement Letter or this Order;

GENERAL

- [23] **DECLARES** that the Order and all other orders in these proceedings shall have the full force and effect in all provinces and territories in Canada;
- [24] **DECLARES** that the Monitor shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for an orders which aid and complement the Order and any subsequent orders of this Court and, without limiting the foregoing, an order under Chapter 15 of the U.S. Bankruptcy Code, for which the Monitor shall be the foreign representative of the Debtor. All courts and administrative bodies of all such jurisdictions are hereby respectively requested to make such orders and to provide such assistance to the Monitor as may be deemed necessary or appropriate for the purpose;

[25] REQUESTS the aid and recognition of any Court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order, including the registration of this Order in any office of public record by any such court or administrative body or by any person affected by the Order;

[26] ORDERS the provisional execution of the Order notwithstanding appeal.

THE WHOLE WITHOUT COSTS.



Hon. Jean-François Michaud, j.s.c.

Hearing date: December 15, 2015

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