Court File No. CV-16-11257-00CL

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 PT HOLDCO, INC., PRIMUS TELECOMMUNICATIONS CANADA, INC., PTUS, INC., PRIMUS TELECOMMUNICATIONS, INC., AND LINGO, INC.

Applicants

MOTION RECORD
(Returnable March 9, 2017)
(Re: Stay Extension and Approval)

March 6, 2017

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Lawyers for the Applicants

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TAB 1

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Applicants

NOTICE OF MOTION
(Returnable March 9, 2017)
(Re Stay Extension and Approval)

PT Holdco, Inc. ("**Holdco**"), Primus Telecommunications Canada Inc. ("**Primus Canada**"), PTUS, Inc. ("**PTUS**"), Primus Telecommunications, Inc. ("**PTI**") and Lingo, Inc. ("**Lingo**", and together with PTUS and PTI, the "**U.S. Primus Entities**", and collectively with Holdco and Primus Canada, the "**Primus Entities**" or the "**Applicants**") will make a motion to the Justice presiding over the Commercial List on March 9, 2017 at 10:00 a.m. at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING:

The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order, substantially in the form of the draft order located at Tab 3 of the Motion Record:

   (a) extending the stay of proceedings until the earlier of September 1, 2017 or the termination of the Primus Entities' proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c C-36 (as amended, the "**CCAA**");

(b) approving the actions, conduct and activities of FTI Consulting Canada Inc. ("**FTI**") in its capacity as the Court-appointed Monitor of the Primus Entities (the "**Monitor**") and as described in the Fifth Report of the Monitor, to be filed (the "**Fifth Report**"); and

(c) Such further and other relief as counsel may request and this Court may permit.

THE GROUNDS FOR THE MOTION ARE:

2. On January 19, 2016, the Primus Entities' sought and obtained protection from its creditors under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") pursuant to the Initial Order of the Honourable Mr. Justice Echlin (the "**Initial Order**"). The Initial Order appointed FTI as the Monitor;

3. The Stay Period (as defined therein) set forth in the Initial Order has been amended from time to time. The stay presently expires on March 19, 2017;

4. The Primus Entities sought protection from their creditors under the CCAA as a result of severe liquidity issues due to, *inter alia*, over-leverage, revenue declines and high capital costs;

5. As a result of these liquidity issues, the Primus Entities were unable to service their debt to, among other creditors, their syndicate of senior secured lenders ("**Syndicate**");

6. With the Syndicate's continued forbearance, the Primus Entities explored a variety of options restructuring. A reorganization of the Primus Entities proved not to be feasible, so the Primus Entities focused their efforts on completing a going-concern sale of their business and operations;

7. On February 25, 2016, certain of the Primus Entities (the "**Vendors**") obtained a Vesting and Approval Order from this Court approving a sale of substantially all of their assets in Canada and the United States assets to Birch Communications, Inc. ("**Birch**" and Birch and its permitted assigns, the "**Purchaser**"). The transaction closed on April 1, 2016;

8. Upon closing of the transaction a portion of the purchase price was paid to the Syndicate as partial repayment of the obligations owing to the same. It is anticipated that the proceeds of sale will not suffice to satisfy the Primus Entities' obligations to the Syndicate;

9. Now that the transaction has closed, the Primus Entities no longer have any business or operations in Canada and limited operations in the United States. The only activities remaining with respect to the wind-down of the Primus Entities involve the filing of tax and other governmental filings, as well as addressing a limited divestiture of assets in the United States;

10. The Primus Entities seek an extension of the Stay Period pending the completion of the above mentioned wind-down related activities;

11. The Monitor will be seeking approval of its Fifth Report and the activities as set out therein and approval of the fees and disbursements of itself and its legal counsel;

12. Circumstances exist that make the orders sought by the Applicants appropriate;

Other Grounds for Relief

13. The provisions of the CCAA and the inherent and equitable jurisdiction of this Court;

14. Rules 1.04, 1.05, 2.03, and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and

15. Such further grounds as counsel may advise and this Court may see fit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

16. The Affidavit of Michael Nowlan, sworn September 9, 2016, and the exhibits attached thereto;

17. The Fourth Report of the Monitor to be filed; and

18. Such further and other materials as counsel may advise and this Court may permit.

March 6, 2017

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Court File No. CV-16-11257-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

NOTICE OF MOTION
(RETURNABLE MARCH 6, 2017)

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TAB 2

Court File No. CV 16-11257-00CL

ONTARIO
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Applicants

AFFIDAVIT OF MICHAEL NOWLAN
(Sworn March 7th, 2017)

I, Michael Nowlan, of the Town of Newmarket, in the Province of Ontario, MAKE OATH AND SAY:

1. I am the former Chief Executive Officer and the sole director of the Applicants PT Holdco, Inc. ("**Holdco**"), Primus Telecommunications Canada Inc. ("**Primus Canada**"), PTUS, Inc. ("**PTUS**"), Primus Telecommunications, Inc. ("**PTI**") and Lingo, Inc. ("**Lingo**", and together with PTUS and PTI, the "**U.S. Primus Entities**", and collectively with Holdco and Primus Canada, the "**Primus Entities**" or the "**Applicants**"). As such, I have knowledge of the matters to which I hereinafter depose, except where otherwise stated. I have reviewed the records of the Primus Entities and have spoken with certain of the professional advisors of the Primus Entities, as necessary, and where I have relied upon such information do verily believe such information to be true.

2. This affidavit is sworn in support of the Applicants' motion seeking an Order:

(a) extending the stay of proceedings until the earlier of September 1, 2017 or the termination of the Primus Entities' proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c C-36 (as amended, the "**CCAA**");

(b) approving the actions, conduct and activities of FTI Consulting Canada Inc. ("**FTI**") in its capacity as the Court-appointed Monitor of the Primus Entities (the

"**Monitor**") and as described in the Fifth Report of the Monitor, to be filed (the "**Fifth Report**"); and

(c) Such further and other relief as counsel may request and this Court may permit.

A. BACKGROUND

3. The Primus Entities carried on business in Canada and the United States re-selling telecommunications services. In late 2014, due to severe liquidity issues caused by, *inter alia*, over-leverage, revenue declines and high capital costs, the Primus Entities came to be unable to satisfy their obligations to, among other creditors, their syndicate of senior secured lenders (the "**Syndicate**") as they became due.[1]

4. With the benefit of the Syndicate's continued forbearance, the Primus Entities determined that the best course of action would be to restructure by way of a sale of, or investment in, their business (identified by way of a pre-filing sales and investor solicitation process, the "**SISP**"). The SISP was conducted with the assistance of, *inter alia*, a financial advisor and the oversight of FTI (as the proposed Monitor) between September to December 2015. Birch Communications, Inc. (the "**Purchaser**") was the successful bidder.

5. On January 19, 2016, certain of the Primus Entities (in such capacity, the "**Vendors**") entered into an asset purchase agreement (the "**APA**") with the Purchaser, conditional on Court approval. On that same day, the Primus Entities sought protection pursuant to the CCAA. On that same day, the Primus Entities sought and obtained protection under the CCAA pursuant to the order of Justice Penny ("**Initial Order**"), which appointed FTI as Monitor.

6. A copy of the Initial Order is attached as **Exhibit "A"** hereto. The Initial Order, as well as all other filings in these CCAA proceedings, were posted and remain available

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[1] Primus Canada and the Syndicate are party to a credit agreement dated July 31, 2013. Primus Canada's obligations under the Credit Agreement are separately and independently guaranteed by each of Holdco, PTUS, PTI and Lingo. The Syndicate has a first-ranking security interest over the Primus Entities' assets, pursuant to individual general security agreements executed with each of the Primus Entities. The Syndicate, whose administrative agent is the Bank of Montreal (the "**Agent**"), is the Primus Entities' principal (and fulcrum) creditor.

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on the Monitor's website at: http://cfcanada.fticonsulting.com/Primus/. Further background details regarding these CCAA proceedings are set out in my previous affidavits, being (i) an affidavit sworn on January 18, 2016, in support of the Initial Order, (ii) an affidavit sworn on February 2, 2016; (iii) an affidavit sworn February 29, 2016 and (iv) an affidavit sworn on July 20, 2016, each of which is available on the Monitor's website.

7. On January 21, 2016, the Monitor, acting as Foreign Representative of the Applicants pursuant to paragraph 38 of the Initial Order, commenced recognition proceedings under Chapter 15 of Title 11 of the United States Code in the U.S. Bankruptcy Court for the State of Delaware (the "**US Court**" and the proceedings commenced in the United States, the "**Chapter 15 Recognition Proceedings**"). On February 19, 2016, the US Court issued a final order recognizing the CCAA Proceedings as foreign main proceedings and granting related relief. The Chapter 15 Proceedings were assigned to the Honourable Judge Silverstein of the US Court.

B. PRIMUS ENTITIES' ASSET SALE TO THE PURCHASER

8. Between January 19, 2016 and April 1, 2016, the Primus Entities, with the assistance of their professional advisors and the Monitor, diligently worked to fulfill the requirements of the APA and execute the transaction set out therein ("**Transaction**") for the benefit of all stakeholders.

9. On February 25, 2016, the Primus Entities obtained orders that, among other things:

(i) approved the terms of the APA and vested all of the Purchased Assets in the Purchaser on the terms and conditions set out therein (as each capitalized term is defined therein, the "**Approval and Vesting Order**"); and

(ii) extended the Stay Period (as defined in the Initial Order) to September 19, 2016 and authorized the Monitor to, among other things, disburse from the proceeds of sale of the Transaction (the "**Proceeds**") in accordance

with a waterfall payment scheme ("**Stay Extension and Distribution Order**").

10. On March 2, 2016, the Primus Entities obtained an order assigning the Vendors' rights and obligations under certain contracts in Schedule "A" thereto to the Purchaser.[2]

11. On March 4, 2016, the Primus Entities obtained recognition of, *inter alia,* the Approval and Vesting Order in the Chapter 15 Recognition Proceedings.

12. On April 1, 2016 (the "**Closing Date**") all conditions under the APA were fully satisfied and the Transaction closed. Accordingly, the Monitor came to be in receipt of the Proceeds. On that same day, the Monitor delivered a certificate ("**Monitor's Certificate**") certifying that, *inter alia,* the Transaction has been completed to the Monitor's satisfaction. Attached hereto as **Exhibit "B"** is a copy of the Monitor's Certificate.

13. To date, the Monitor has made certain disbursements of Proceeds pursuant to the Stay Extension and Distribution Order. I am advised by Steven Bissell of the Monitor that, at present, it is still expected that the Proceeds will be insufficient to fully satisfy the obligation owing to the Syndicate. I am further advised that it is similarly expected that no distributions will be made with respect to the approximately $20 million indebtedness of the Primus Entities to their subordinate senior secured creditors, Manufacturers Life Insurance Company and BMO Capital Partners , or to any other pre-filing creditors of the Primus Entities.

14. The Board members of the Primus Entities, apart from myself, have all resigned their positions, which resignations became effective on the Closing Date. I have continued my services pursuant to a consulting agreement effective April 1, 2016 (the "**Consulting Agreement**"). The Consulting Agreement remains in effect until, *inter alia,* the later of:

(a) the termination of the MSA (as defined below);

(b) the completion of all U.S. reporting and tax filings in connection with the final transfer of all Regulated Customer Relationships (as defined below) to the Purchaser pursuant to Section 2.4 of the Asset Purchase Agreement, including any required tax filings and USAC filings in connection therewith;

(c) the completion of all reporting and tax filings required in connection with the CCAA proceedings in the United States and Canada or related to the sale of the business; or

(d) the date of termination provided in accordance with Section D.3 of the Consulting Agreement (which is an early termination provision in the agreement).

15. On September 16, 2016, Justice Newbould granted an order (the "**Stay Extension, Discharge and Termination Order**"), among other things:

(a) extending the stay of proceedings until the earlier of March 19, 2017 or the termination of the Applicants' CCAA Proceedings;

(b) terminating these CCAA proceedings upon the delivery of the Monitor's Discharge Certificate (as defined therein); and

(c) discharging FTI as Monitor in these CCAA proceedings on delivery of the Monitor's Discharge Certificate.

The Stay Extension, Discharge and Termination Order is attached hereto as **Exhibit "C".**

16. The Primus Entities require further time in order to finalize certain issues, including the issues canvassed below, before bringing these proceedings to a close.

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[2] Schedule A set out the amount of pre-filing arrears owing with respect to each of the agreements sought to be assigned, which were subsequently paid as "Cure Costs" pursuant to the terms of the APA.

C. STATUS OF THE PRIMUS ENTITIES' CCAA PROCEEDINGS

i. Transfer of Regulated Customer Relationships in the United States

17. The closing of the Transaction was bifurcated between the United States and Canada. As a result, the U.S. Primus Entities retained *de facto* and *de jure* control of their assets as of the Closing Date. Accordingly, the remaining steps needed to effect the Transaction are taking place in the United States.

18. Specifically, the transfer of certain customer accounts and relationships in the United States (the "**Regulated Customer Relationships**") did not occur on the Closing Date. This was because the transfer of the Regulated Customer Relationships required the approval of the Federal Communications Commission ("**FCC**") and approvals from each of the public utilities commissions or other regulatory bodies with jurisdiction over the delivery of interstate telecommunications services in each State (each a "**State PUC**"). The transfer of the Regulated Customer Relationships in each State was to occur without further action of the Vendors, the Purchaser or the Monitor on the later of:

(a) the date the required approval from the FCC was obtained; or

(b) the date the required approval from the relevant State PUC was obtained.

19. As a result, the U.S. Primus Entities and the Purchaser entered into a Management Services Agreement ("**MSA**") on the Closing Date. The MSA is attached hereto as **Exhibit "D"**. The purpose of the MSA is to ensure the uninterrupted operation of the Primus Entities' business in the United States pending issuance of all regulatory approvals required to transfer all Regulated Customer Relationships to the Purchaser. The Purchaser, pursuant to the MSA, will manage the Primus Entities' business in the United States (in such capacity, the "**Manager**") until the expiry of the MSA.

20. The Purchaser has operated the U.S. Primus Entities' business since the Closing Date. Pursuant to the terms of the MSA, the Primus Entities have appointed the Purchaser as exclusive manager of all customer and carrier access billing services accounts in the United States and Puerto Rico ("**Customer Accounts**"). The Purchaser

has the power, authority and responsibility to manage the Customer Accounts in the ordinary course.

21. The MSA was originally set to expire on the earlier of the date that all Regulated Customer Relationships are transferred to the Purchaser or the date six months after its execution (i.e., October 1, 2016). In order in order to finalize their regulatory and tax reporting and reach an agreement with the Purchaser as to the desired approach with respect to the Regulated Customer Relationships in Puerto Rico, as described in greater detail in the subsequent section, the Primus Entities and the Purchaser extended the MSA on several times. PTI and Birch are in the process of further extending the MSA until April 1, 2017.

22. As required by the Approval and Vesting Order, the Monitor established an escrow account in the amount of $2.5 million (the "**Regulated Customer Escrow Account**") on the Closing Date. As at August 31, 2016, regulatory approvals of the transfer of the Regulated Customer Relationships had been obtained from the FCC and 49 of the 50 State PUCs representing 100% of the funds in the Regulated Customer Escrow Account (as there were no funds attributable to the transfer of the Puerto Rico Regulated Customer Relationships), which funds have, pursuant to the Approval and Vesting Order, been transferred to the Designated Account (as defined in the Approval and Vesting Order).

ii. Discontinuance of Service by Primus PTI in Puerto Rico

23. On August 12, 2016, the Purchaser contacted the Primus Entities to inquire whether they would support an adjournment of its proceedings to effectuate the transfer of the Regulated Customer Relationships in Puerto Rico in order to consider alternatives to the same. On August 19, 2016, with the consent of the Primus Entities and in consultation with the Monitor, the Purchaser adjourned its regulatory proceedings in Puerto Rico. This was done in order to suspend the process by which the Regulated Customer Relationships would have transferred to the Purchaser and to allow the Primus Entities and the Purchaser with time to explore the regulatory ramifications of,

among other alternatives, a sale of the Puerto Rico Regulated Customer Relationships or the discontinuance of service in Puerto Rico (or both).

24. Accordingly, between August 19, 2016 and mid-to-late November 2016, the Primus Entities and the Purchaser discussed alternatives with respect to the Regulated Customer Relationships in Puerto Rico, which included determining the best way to navigate the regulatory consequences of a discontinuance of service in Puerto Rico and/or sale a sale of the Regulated Customer Relationships to a third party (or both). Ultimately, and after extensive negotiations between them, the Purchaser and the Primus Entities determined that the preferable course of action was to effect a discontinuance of service in Puerto Rico and migrate the Regulated Customer Relationships to a local carrier in Puerto Rico.

25. On December 9, 2016, and in order to ensure a smooth transition for customers during the Discontinuance, PTI, the Manager and Puerto Rico Telephone Company, on behalf of itself and its subsidiaries ("**CLARO**") entered into an agreement (the "**Discontinuance of Services Agreement**") pursuant to which PTI (through the Purchaser, in its capacity as Manager under the MSA) and CLARO will transfer customers from PTI to CLARO for good and valuable consideration. Attached hereto as **Exhibit "E"** is a copy of the executed Discontinuance of Services Agreement.

26. The discontinuance of service was originally to be effective February 15, 2017, with the Primus Entities continuing to operate the business for an interim period up to March 1, 2016. Operational difficulties in transferring some of the customer relationships to CLARO have delayed that effective date of discontinuance, but it is expected that PTI will fully discontinue services by or around March 31, 2017.

27. The Primus Entities, with the Monitor's assistance (and, as necessary, the Purchaser in its capacity as Manager) have been working diligently to secure regulatory approval and wind-down PTI's business in Puerto Rico.

28. In order to effect the discontinuance of service in Puerto Rico, the Primus Entities have taken a number of steps (some with the assistance or through the Purchaser in its capacity as Manager under the MSA), including disclaiming certain contracts between

PTI and the local service providers from whom PTI purchased telecommunications services. In parallel, PTI is in the process of securing regulatory approval to discontinue services from, *inter alia*, the local regulator in Puerto Rico and the FCC (including reconciliation of any potential amounts owing by PTI to the FCC as part of its regulatory filing in the U.S.). As discussed in the next section, there are also certain tax and other reporting obligations in Puerto Rico that must be completed before winding down the estate, which the Primus Entities are addressing on a consolidated and U.S.-wide basis.

29. As part of the discontinuance of services in Puerto Rico, PTI disclaimed certain contracts (pursuant to the provisions of the CCAA) and terminated other contracts (according to their terms). In particular, on January 30, 2017:

(a) Termination notices were issued in respect of PTI's service agreement with WorldNet Telecommunications, Inc., and Optivon Telecommunication Services, Inc., each of which were effective 30 days after the date of their delivery.

(b) CCAA disclaimers notices were issued in respect of PTI's service agreement with CMARR Inc., Aeronet Wireless Broadband Corp., and CLARO. No objections were received within the statutorily prescribed period (i.e., 15 days thereafter).

30. To ensure that PTI's vendors in Puerto Rico were aware of the discontinuance of services and that any post-closing expenses owing to them would be paid, the Purchaser, on behalf of PTI and in consultation with the Monitor, delivered notices on or around February 15, 2017, to all known trade vendors of PTI in Puerto Rico:

(a) advising of PTI's plans to discontinue services in Puerto Rico as of the Discontinuance Date; and

(b) requesting that any outstanding invoices for the period from the Closing Date through February 28, 2017 be submitted no later than March 7, 2017.

Pursuant to the MSA, the Purchaser, in its capacity as Manager, is required to pay any post-closing expenses in respect of Puerto Rico.

31. At present, the Purchaser and PTI, with the participation of counsel to the Agent, are in the process of negotiating the terms of an agreement (the "**Discontinuance Of Services Compensation Allocation Agreement**") in order to address the allocation of proceeds of the transfer of the Regulated Customer Relationships to CLARO.

iii. Status of Reporting Obligations in the United States

32. The MSA rendered the Purchaser responsible for certain reporting obligations. Specifically, the Purchaser is responsible for monitoring all of the administrative and governmental notice, filing, reporting, tax, fee and permit requirements with respect to the Customer Accounts for, *inter alia*, the post-closing period and, when such notices, reports or fees are due, to submit those notices, reports, invoices or other submissions required for the U.S. Primus Entities to remit to the appropriate agency.

33. At present, as required by the terms of the MSA, the Purchaser is assisting the Primus Entities with respect to the preparation and filing of final sales tax returns and FCC and USAC-related reporting. With respect to the filing of final sales tax returns, PTI and Lingo, in consultation with the Agent and the Monitor, have engaged a third-party contractor to prepare and file final returns Accordingly, the Primus Entities require further time in order to finalize their regulatory and tax filings (and assess if there are any outstanding amounts that must be paid with respect to the same period).

iv. Post-Closing Reconciliation with Bell Canada

34. Shortly following the closing, the Primus Entities contacted Bell Canada (and related entities, collectively "**Bell**") requesting a status update on the final reconciliation of certain post-filing, pre-closing charges for services rendered to the Primus Entities during that period. On April 25, 2016, Bell advised the Primus Entities and the Monitor that it was claiming certain amounts for allegedly unpaid invoices for that period. The Primus Entities, in consultation with the Monitor, began reconciling the amounts claimed from the Primus Entities by Bell Canada.

35. Discussion between the Primus Entities, the Monitor and Bell Canada continued from April 25, 2016 to early January 2017. Ultimately, the parties resolved their issues consensually.

v. Primus Canada Sales Tax Refund

36. I am advised by Steven Bissell that, on December 12, 2016, Canada Revenue Agency ("**CRA**") issued a notice to Primus Canada advising that it was entitled to a sales tax refund of approximately $1.5 million (the "**Sales Tax Refund**"), which the CRA would hold pending the filing of Primus Canada's corporate tax return for the tax year ending December 31, 2015. The Applicants, in consultation with the Agent and the Monitor, engaged BDO Canada LLP to prepare those returns to obtain the release of the Sales Tax Refund. The corporate tax returns are expected to be filed by March 31, 2017.

D. STAY EXTENSION

37. The Initial Order provided for a stay of proceedings up to and including February 18, 2016. The Stay Period has been extended a number of times. Pursuant to the Stay Extension, Discharge and Termination Order, the Stay Period was extended to the earlier of March 19, 2017, and the date that the Monitor files the Monitor's Discharge Certificate.

38. The Primus Entities have been working diligently since the granting of the Stay Extension, Discharge and Termination Order to resolve issues relating to the wind-down of their estates. Among other things, the Primus Entities have been:

(a) communicating with their stakeholders, including contractual counterparties;

(b) taking all necessary steps to give effect to the Transaction and to transition the business to the Purchaser in an expeditious manner and for the benefit of all of the Primus Entities' stakeholders;

(c) resolving issues relating to real and personal property that was not the subject of the Transaction, including by disclaimer;

(d) addressing issues raised by suppliers, including issues relating to the payment of post-filing fees (including the issues raised by the Zayo motion); and

(e) addressing a myriad of other post-closing issues arising in connection with the Transaction, including the transfer of the Regulated Customer Relationships.

39. The Primus Entities require an extension of the Stay Period until the earlier of the date on which the certificate evidencing the completion of the Monitor's duties (the "**Discharge Certificate**") is filed with the Court or September 1, 2017 to finalize the winding-up of the Primus Entities' estates in an orderly manner, including but not limited to:

(a) finalizing the distributions to the Syndicate;

(b) finalizing the discontinuance of services in Puerto Rico;

(c) completing the Monitor's statutory and administrative duties;

(d) addressing issues relating to finalizing the U.S. Primus Entities' tax and other regulatory filings in the United States;

(e) executing the Discontinuance Of Services Compensation Allocation Agreement and ensuring that all compensation payable by CLARO is reconciled and distributed pursuant thereto; and

(f) collecting the Sales Tax Refund owing to Primus Canada.

40. It is my belief that the Primus Entities have acted and continue to act in good faith and with due diligence. I do not believe that any creditor will suffer any material prejudice if the Stay Period is extended as requested.

41. I am advised by the Natasha MacParland, Partner at Davies Ward Phillips & Vineberg LLP, counsel to the Agent, that the Syndicate is supportive of the relief sought herein.

42. I am advised by Steven Bissell that the Monitor continues to have sufficient cash on hand to cover the costs of the Primus Entities' estate, which will be set out in greater detail in the Fifth Report.

SWORN BEFORE ME at the City of Toronto, Province of Ontario, on March 7th, 2017.

Commissioner for Taking Affidavits

Benjamin Janesh Jain, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 9, 2018.

Michael Nowlan

A

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 PT HOLDCO, INC., PRIMUS TELECOMMUNICATIONS CANADA, INC., PTUS, INC., PRIMUS TELECOMMUNICATIONS, INC., AND LINGO, INC.

Court File No. CV-16-11257-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

AFFIDAVIT OF MICHAEL NOWLAN
(SWORN MARCH 7, 2017)

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Lawyers for the Applicants

THIS IS EXHIBIT "A"
REFERRED TO IN THE
AFFIDAVIT OF MICHAEL NOWLAN
SWORN BEFORE ME,
THIS 7TH DAY OF MARCH, 2017

Commissioner for Taking Affidavits

Benjamin Janesh Jain, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 9, 2018.

CV-16-11257-00C
Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	TUESDAY, THE 19th
JUSTICE PENNY	)	DAY OF JANUARY, 2016

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 PT HOLDCO, INC., PRIMUS TELECOMMUNICATIONS CANADA, INC., PTUS, INC., PRIMUS TELECOMMUNICATIONS, INC., AND LINGO, INC

INITIAL ORDER

THIS APPLICATION, made by PT Holdco, Inc. ("**Holdco**"), Primus Telecommunications Canada Inc. ("**Primus Canada**"), PTUS, Inc. ("**PTUS**"), Primus Telecommunications, Inc. ("**PTI**") and Lingo, Inc. ("**Lingo**", and together with PTUS, PTI, Holdco and Primus Canada, the "**Applicants**"), 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 Michael Nowlan sworn January 18, 2016 and the Exhibits thereto (the "**Nowlan Affidavit**"), the Pre-Filing Report of FTI Consulting Canada Inc., as proposed monitor, (the "**Pre-Filing Report**") and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants and the proposed Monitor, no one appearing for any other party although duly served as appears from the affidavit of service filed, and on reading the consent of FTI Consulting Canada Inc. to act as the Monitor,

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 Applicants are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

3. **THIS COURT ORDERS** that the Applicants 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 Applicants shall remain in possession and control of their 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 Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Applicants are 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 they deem 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 Applicants shall be entitled to continue to utilize the central cash management system currently in place as described in the Nowlan Affidavit or replace it with another substantially similar central cash management system (the "**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 Applicants 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 Applicants, 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 Applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

(a) all outstanding and future wages, salaries, employee benefits (including, without limitation, any amounts relating to the provision of employee medical, dental and similar benefit plans or arrangements), vacation pay and expenses, and similar amounts owed to independent contractors, payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

(b) all outstanding and future insurance premiums (including property and casualty, group insurance policy, director and officers liability insurance, or other necessary insurance policy);

(c) all outstanding or future amounts owing in respect of customer rebates, refunds, discounts or other amounts on account of similar customer programs or obligations other than any refunds arising as a result of termination or cancellation of customer agreement or services; and

(d) the reasonable fees and disbursements of any Assistants retained or employed by the Applicants 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 Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants 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; and

(b) payment for goods or services actually supplied to the Applicants following the date of this Order.

8. **THIS COURT ORDERS** that the Applicants 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 Applicants in connection with the sale of goods and services by the Applicants, 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 Applicants.

9. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicants 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 Applicants and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicants are 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 Applicants to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their 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 Applicants 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 their business or operations, and to dispose of redundant or non-material assets not exceeding $100,000 in any one transaction or $1,000,000 in the aggregate.

(b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate; and

(c) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing or sale,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "**Restructuring**").

12. **THIS COURT ORDERS** that the Applicants shall provide each of the relevant landlords with notice of the Applicants' 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 Applicants' 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 Applicants, or by further Order of this Court upon application by the Applicants on at least two (2) days notice to such landlord and any such secured creditors. If the Applicants 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 Applicants' 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 Applicants 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 Applicants in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

14. **THIS COURT ORDERS** that until and including February 18, 2016, 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 Applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants 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 entities (all of the

foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicants to carry on any business which the Applicants are 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.

NO INTERFERENCE WITH RIGHTS

16. 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 Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Applicants 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, credit card services provided by Chase Paymentech Solutions, Inc. or other credit card processors, utility or other services to the Business or the Applicants, 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 Applicants, and that the Applicants shall be entitled to the continued use of their 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 Applicants without having to provide any security deposit or any other security in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

18. **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 Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. **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 Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants 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 Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. **THIS COURT ORDERS** that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicants 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.

21. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**D&O Charge**") on the Property, which charge shall not exceed an aggregate amount of $3.1 million, as security for the indemnity provided in paragraph 20 of this Order. The D&O Charge shall have the priority set out in paragraphs 32 and 34 herein.

22. **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 D&O Charge, and (b) the Applicants' directors and officers shall only be entitled to the benefit of the D&O 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 20 of this Order.

APPOINTMENT OF MONITOR

23. **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 Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of their 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.

24. **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 Applicants' receipts and disbursements;

(b) liase with Assistants, to the extent required, with respect to all matters relating to the Property, the Business and such other matters as may be relevant to the proceedings herein;

(c) 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;

(d) advise the Applicants in their preparation of the Applicants' cash flow statements;

(e) advise the Applicants in their development of the Plan and any amendments to the Plan;

(f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

(g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;

(h) assist the Applicants, to the extent required by the Applicants, with their restructuring activities and/or any sale of the Property and the Business or any part thereof;

(i) 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;

(j) hold and administer funds in accordance with arrangements among any of the Applicants, any Person and the Monitor, or by Order of this Court; and

(k) perform such other duties as are required by this Order or by this Court from time to time.

25. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business 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.

26. **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.

27. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicants with information provided by the Applicants 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 Applicants are 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 Applicants may agree.

28. **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 for greater certainty in the Monitor's capacity as "foreign representative", 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.

29. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to or subsequent to the date of this Order, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a weekly basis and, in addition, the Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicants, retainers in the amounts of $1,000,000 to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

30. **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 their legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

31. **THIS COURT ORDERS** that the Monitor, Canadian and US counsel to the Monitor, and the Applicants' Canadian and US 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 $1,000,000, 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 32 and 34 herein.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

32. **THIS COURT ORDERS** that the priorities of the Administration Charge and the D&O Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of $1,000,000); and

Second – D&O Charge (to the maximum amount of $3,100,000.

33. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge and the D&O 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.

34. **THIS COURT ORDERS** that each of the Administration Charge and the D&O Charge (all as constituted and defined herein) shall constitute a charge on the Property and such 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 that has not been served with notice of this order.

35. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicants

also obtain the prior written consent of the Monitor, and the beneficiaries of the Administration Charge or the D&O Charge, as applicable, or further Order of this Court.

36. **THIS COURT ORDERS** that the Administration Charge and the D&O Charge 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 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 Applicants, and notwithstanding any provision to the contrary in any Agreement:

(a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicants 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) the payments made by the Applicants pursuant to this Order, , and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

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

CHAPTER 15 PROCEEDINGS

38. THIS COURT ORDERS that the Monitor is hereby authorized and empowered, but not required, to act as the foreign representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside of Canada including, if deemed advisable by the Monitor, to apply for recognition of these proceedings in the United States pursuant to Chapter 15 of Title 11 of the United States Code, 11 U.S.C. §§ 101- 1532 and to take such other steps as may be authorized by the Court and any ancillary relief in respect thereto.

SERVICE AND NOTICE

39. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in the Globe & 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 Applicants 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 (provided that the list shall not include the names, addresses or estimated amounts of the claims of those creditors who are individuals or any personal information in respect of an individual), all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

40. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL 'http://cfcanada.fticonsulting.com/primus'.

41. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicants 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 Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants 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.

GENERAL

42. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

43. **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 Applicants, the Business or the Property.

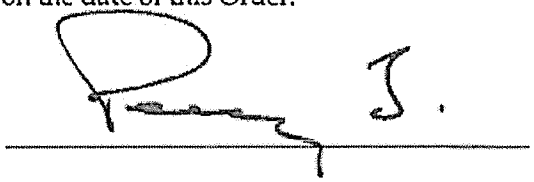
44. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants 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 Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

45. **THIS COURT ORDERS** that each of the Applicants 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.

46. **THIS COURT ORDERS** that any interested party (including the Applicants 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.

47. **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.



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JAN 19 2016

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 PT HOLDCO, INC., PRIMUS TELECOMMUNICATIONS CANADA, INC., PTUS, INC., PRIMUS TELECOMMUNICATIONS, INC., AND LINGO, INC.

Court File No: CV-16-11257-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

INITIAL ORDER

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37

B

THIS IS EXHIBIT "B"
REFERRED TO IN THE
AFFIDAVIT OF MICHAEL NOWLAN
SWORN BEFORE ME,
THIS 7TH DAY OF MARCH, 2017

Commissioner for Taking Affidavits

Benjamin Janesh Jain, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 9, 2018.

Court File No. CV-16-11257-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

BETWEEN:

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 PRIMUS TELECOMMUNICATIONS CANADA INC., PRIMUS TELECOMMUNICATIONS, INC AND LINGO, INC.

Applicants

MONITOR'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Penny of the Ontario Superior Court of Justice (the "**Court**") dated January 19, 2016, Primus Telecommunications Canada Inc., Primus Telecommunications, Inc. and Lingo, Inc. (the "**Vendors**") were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 and FTI Consulting Canada Inc. was appointed as the Monitor (the "**Monitor**") of the Vendors.

B. Pursuant to an Order of the Court dated February 25, 2016 (the "**Approval and Vesting Order**"), the Court approved the agreement of purchase and sale made as of January 19, 2016 (as amended on March 31, 2016 and as may be further amended, restated or modified from time to time, the "**Sale Agreement**") between the Vendors and Birch Communications, Inc. ("**Birch**" and Birch together with its permitted assigns pursuant to the Sale Agreement, as applicable, the "**Purchaser**") and provided for the vesting in the Purchaser of the Vendors' right, title and interest in and to the Purchased Assets (other than the Regulated Customer Relationships, which shall vest in the Purchaser in accordance with the terms of the Approval and Vesting Order), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to Birch of a certificate confirming (i) the payment by the Purchaser of the Closing Cash Payment; (ii) that the conditions to Closing as set out in Article 7 of the Sale

Agreement have been satisfied or waived by the Vendors and the Purchaser (as applicable); and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Pursuant to the Approval and Vesting Order, the Monitor may rely on written notice from the Vendors and the Purchaser regarding fulfillment of conditions to closing under the Sale Agreement.

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

THE MONITOR CERTIFIES the following:

1. The Vendors and Birch have each delivered written notice to the Monitor that all applicable conditions under the Sale Agreement have been satisfied and/or waived, as applicable;

2. The Monitor has received the Closing Cash Payment and the Regulated Customer Relationships Escrow, if applicable; and

3. The Transaction has been completed to the satisfaction of the Monitor.

4. This Certificate was delivered by the Monitor and effective as at 12:01 a.m. Eastern time on April 1, 2016.

FTI Consulting Canada Inc., in its capacity as Monitor of Primus Telecommunications Canada Inc., Primus Telecommunications, Inc. and Lingo, Inc., and not in its personal capacity

Per: _____

Name: Nigel Meakin

Title: Senior Managing Director

Court File No.: CV-16-11257-00CL

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 PT HOLDCO, INC., PRIMUS TELECOMMUNICATIONS CANADA INC., PTUS, INC., PRIMUS TELECOMMUNICATIONS, INC., AND LINGO, INC.

Applicants

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto

CERTIFICATE OF THE MONITOR

BLAKE, CASSELS & GRAYDON LLP
Barristers and Solicitors
Box 40, Commerce Court West
199 Bay Street, Suite 4000
Toronto, Ontario M5L 1A9

Linc Rogers, LSUC # 43562N
Tel: 416-863-4168
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Email: linc.rogers@blakes.com

Aryo Shalviri, LSUC # 63867A
Tel: 416-863-2962
Email: aryo.shalviri@blakes.com

Lawyers for the Monitor, FTI Consulting Canada Inc.

A

C

THIS IS EXHIBIT "C"
REFERRED TO IN THE
AFFIDAVIT OF MICHAEL NOWLAN
SWORN BEFORE ME,
THIS 7 TH DAY OF MARCH, 2017

Commissioner for Taking Affidavits

Benjamin Janesh Jain, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 9, 2018.

Court File No. CV-16-11257-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR. JUSTICE NEWBOULD	)	FRIDAY, THE 16th DAY
	)	
	)	OF SEPTEMBER, 2016

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 PT HOLDCO, INC., PRIMUS TELECOMMUNICATIONS CANADA INC., PTUS, INC., PRIMUS TELECOMMUNICATIONS, INC., AND LINGO, INC.

Applicants

STAY EXTENSION, DISCHARGE AND TERMINATION ORDER

THIS MOTION, made by PT Holdco, Inc. ("**Holdco**"), Primus Telecommunications Canada Inc. ("**Primus Canada**"), PTUS, Inc. ("**PTUS**"), Primus Telecommunications, Inc. ("**PTI**") and Lingo, Inc. ("**Lingo**", and together with PTUS and PTI, the "**U.S. Primus Entities**", and collectively with Holdco and Primus Canada, the "**Primus Entities**" or the "**Applicants**") for an order:

(a) extending the stay of proceedings until the earlier of March 19, 2017 or the termination of the Primus Entities' proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c C-36 (as amended, the "**CCAA**");

(b) terminating these CCAA proceedings upon the delivery of the Monitor's Discharge Certificate (as defined below); and

(c) discharging FTI Consulting Canada Inc. ("**FTI**") as monitor in these CCAA proceedings on delivery of the Monitor's Discharge Certificate;

was heard this day at 330 University Avenue, Toronto.

ON READING the affidavit of Michael Nowlan sworn September 9, 2016, the Fourth Report of the Monitor (as defined below) dated September 14, 2016 (the "**Fourth Report**") and on hearing the submissions of counsel for the Applicants and FTI in its capacity as the Court-appointed Monitor of the Applicants (the "**Monitor**"), counsel for Bell Canada, Bell Nexxia Corp. (collectively, "**Bell Canada**") no one else appearing for any other person on the service list, although duly served as appears from the affidavit of service of Vlad Calina sworn September 9, 2016.

SERVICE

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

DEFINED TERMS

2. **THIS COURT ORDERS** that unless otherwise defined herein, capitalized terms used in this Order shall have the meaning given to them in the Order of Mr. Justice Penny dated January 19, 2016, made in these proceedings (the "**Initial Order**").

TERMINATION OF CCAA PROCEEDINGS

3. **THIS COURT ORDERS** that upon the filing of a certificate of the Monitor substantially in the form attached hereto as Schedule "A" (the "**Monitor's Discharge Certificate**") certifying that, to the best of the knowledge and belief of the Monitor, all matters to be attended to in connection with the CCAA proceedings have been completed, the within CCAA proceedings shall be terminated without any other act or formality (the "**CCAA Termination Time**").

4. THIS COURT ORDERS that the Administration Charge and D&O Charge shall be and are hereby terminated, released and discharged effective at the CCAA Termination Time.

DISCHARGE OF THE MONITOR

5. THIS COURT ORDERS that the Monitor shall, at least seven (7) days prior to the proposed CCAA Termination Time, provide notice to the E Service List of the Monitor's intention to file the Monitor's Discharge Certificate and that upon the filing of the Monitor's Discharge Certificate, the release and discharge of the Subsequent Released Claims (as defined below) shall be deemed effective unless any objection is received by the Monitor in accordance with paragraph 9 hereof.

6. THIS COURT ORDERS AND DECLARES that effective at the CCAA Termination Time, FTI shall be discharged and relieved from any further obligations, liabilities, responsibilities or duties in its capacity as Monitor pursuant to the Initial Order and any other Orders of this Court in these CCAA proceedings.

RELEASE TO DATE OF THIS ORDER

7. THIS COURT ORDERS that effective as of the date of this Order, in addition to the protections in favour of the Monitor in any Order of this Court in these CCAA proceedings or the CCAA, FTI, the Monitor, the Monitor's legal counsel, including Blake, Cassels & Graydon LLP, in its capacity as Canadian counsel to the Monitor and Elliott Greenleaf LLP, in its capacity as US counsel to the Monitor, and each of their respective affiliates and officers, directors, partners, employees and agents (collectively, the "**Released Parties**") are hereby released and discharged from any and all claims that any person may have or be entitled to assert against the Released Parties, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the date of this Order in any way relating to, arising out of or in respect of the within CCAA proceedings or with respect to their respective conduct in the within CCAA proceedings (collectively, the "**Released Claims**"), and any such Released Claims are hereby released, stayed, extinguished and forever barred and

the Released Parties shall have no liability in respect thereof, provided that the Released Claims shall not include any claim or liability arising out of any gross negligence or willful misconduct on the part of the Released Parties.

RELEASE OF SUBSEQUENT CLAIMS

8. THIS COURT ORDERS that, subject to paragraph 9 hereof, effective as of the CCAA Termination Time, in addition to the protections in favour of the Monitor in any Order of this Court in these CCAA proceedings or the CCAA, the Released Parties are hereby released and discharged from any and all claims that any person may have or be entitled to assert against the Released Parties, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place following the date of this Order in any way relating to, arising out of or in respect of the within CCAA proceedings or with respect to their respective conduct in the within CCAA proceedings (collectively, the "**Subsequent Released Claims**"), and any such Subsequent Released Claims are hereby released, stayed, extinguished and forever barred and the Released Parties shall have no liability in respect thereof, provided that the Subsequent Released Claims shall not include any claim or liability arising out of any gross negligence or willful misconduct on the part of the Released Parties.

9. THIS COURT ORDERS that in the event that any person objects to the release and discharge of the Subsequent Released Claims, that person must send a written notice of objection and the grounds therefor to the Monitor the Monitor's address set out on the E Service List such that the objection is received by the Monitor prior to the proposed CCAA Termination Time. If no objection is received by the Monitor prior to the proposed CCAA Termination Time, the release and discharge of Subsequent Released Claims pursuant to paragraph 8 hereof shall be automatically deemed effective upon the CCAA Termination Time up to and including the CCAA Termination Time, without further Order of the Court.

10. THIS COURT ORDERS that if an objection to the release of the Subsequent Released Claims pursuant to paragraph 9 hereof is received by the Monitor, the release and discharge of the Subsequent Released Claims pursuant to paragraph 8 hereof shall only become effective if

the objection is resolved or upon further Order of the Court. For greater certainty, no objection received in accordance with paragraph 9 hereof shall affect the release and discharge of the Released Claims pursuant to paragraph 7 hereof, which shall be effective as of the date of this Order.

11. THIS COURT ORDERS that no action or other proceeding shall be commenced against any of the Released Parties in any way arising from or related to the within CCAA proceedings, except with prior leave of this Court on at least seven days' prior written notice to the applicable Released Party, and provided that any such Order granting leave includes a term granting the applicable Released Party security for its costs and the costs of its counsel in connection with any proposed action or proceeding, such security to be on terms this Court deems just and appropriate.

12. THIS COURT ORDERS that, notwithstanding any provision of this Order and the termination of the within CCAA proceedings, nothing herein shall affect, vary, derogate from, limit or amend, and the Monitor shall continue to have the benefit of, any of the protections in favour of the Monitor at law or pursuant to the CCAA or any Order of this Court in the within CCAA proceedings or otherwise.

13. THIS COURT ORDERS that, notwithstanding the foregoing, the Monitor shall have the authority from and after the date of this Order to complete any matters set out in the Fourth Report and any matters that may be incidental to the termination of these CCAA proceedings or any other matters necessary to complete these CCAA proceedings as requested by the Applicants and agreed to by the Monitor.

STAY EXTENSION

14. THIS COURT ORDERS that the Stay Period referred to in the Initial Order is extended until the earlier of the CCAA Termination Time or March 19, 2017.

GENERAL

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

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

SEP 16 2016

PER / PAR:

Schedule A – Form of Monitor's Discharge Certificate

Court File No. CV-16-11257-00CL

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 PT HOLDCO, INC., PRIMUS TELECOMMUNICATIONS CANADA INC., PTUS, INC., PRIMUS TELECOMMUNICATIONS, INC., AND LINGO, INC.

Applicants

MONITOR'S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Penny of the Ontario Superior Court of Justice (the "**Court**"), on January 19, 2016, FTI Consulting Canada Inc. was appointed as the monitor (the "**Monitor**") of the Applicants. The proceedings commenced by the Applicants under the CCAA will be referred to herein as the "**CCAA Proceedings**".

B. The CCAA Proceedings have been completed in accordance with the Orders of this Court and under the supervision of the Monitor.

C. Pursuant to the Order of this Court dated September 16, 2016 (the "**CCAA Termination Order**"), the Monitor shall be discharged and the CCAA Proceedings shall be terminated upon the filing of this Monitor's Discharge Certificate with the Court.

D. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the CCAA Termination Order.

THE MONITOR CERTIFIES the following:

1. To the best of the Monitor's knowledge and belief, all matters to be attended to in connection with the CCAA Proceedings have been completed.

ACCORDINGLY, the CCAA Termination Time as defined in the CCAA Termination Order has occurred.

DATED at Toronto, Ontario this _____ day of _____, _____.

FTI Consulting Canada Inc., in its capacity as Monitor of the Applicants, and not in its personal capacity

Per: _____

Name:

Title:

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 PT HOLDCO, INC., PRIMUS TELECOMMUNICATIONS CANADA INC., PTUS, INC., PRIMUS TELECOMMUNICATIONS, INC., AND LINGO, INC..

Court File No. CV-16-11257-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

STAY EXTENSION, DISCHARGE AND TERMINATION ORDER

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Maria Konyukhova LSUC#: 52880V
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Vlad A. Calina LSUC#: 69072W
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Email: vcalina@stikeman.com
Fax: (416) 947-0866

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D

THIS IS EXHIBIT "D"
REFERRED TO IN THE
AFFIDAVIT OF MICHAEL NOWLAN
SWORN BEFORE ME,
THIS 7 TH DAY OF MARCH, 2017

Commissioner for Taking Affidavits

Benjamin Janesh Jain, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 9, 2018.

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT (the "Agreement") is made as of April 1, 2016 by and among Birch Communications, Inc., a Georgia corporation ("Manager"), and Primus Telecommunications, Inc., a Delaware corporation and Lingo, Inc., a Delaware corporation (collectively "Sellers"). Each Seller and Manager are referred to individually in this Agreement as a "Party" and, collectively as the "Parties".

WITNESSETH:

A. Sellers, Manager and Primus Telecommunications Canada Inc. have entered into an Asset Purchase Agreement dated as of January 19, 2016 (the "Asset Purchase Agreement"), whereby Manager has agreed to purchase the Purchased Assets.

B. The Parties acknowledge and agree that certain Required Approvals must be obtained before certain of the Purchased Assets of Seller may be transferred to Manager and that Sellers have retained *de facto* and *de jure* control of each of such assets pending receipt of the applicable Required Approval(s) required to transfer such assets.

C. In order to assure uninterrupted operation of the Business in the United States and Puerto Rico pending issuance of the Required Approvals, Sellers and Manager desire to enter into this Agreement for the purpose of establishing the terms under which Manager will, in a manner consistent with Applicable Law, and at the direction and control (*de jure* and *de facto*) of Sellers, manage customer and CABS accounts in the United States and Puerto Rico ("Customer Accounts") pending the necessary Required Approval(s) to transfer such Customer Accounts to Manager.

NOW, THEREFORE, in consideration of the above recitals and mutual promises and other good and adequate consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Definitions; Conflicts. Any capitalized term not otherwise defined in this Agreement shall have the meaning assigned to such term in the Asset Purchase Agreement. In the event of any conflict between the terms of this Agreement and the Asset Purchase Agreement, the provision of the Asset Purchase Agreement shall control.

2. Appointment. On the terms set forth in this Agreement, Sellers hereby engage Manager as their sole and exclusive manager of the Customer Accounts, and Manager hereby accepts such sole and exclusive engagement.

3. Duties and Authority of Manager.

(a) Subject to the provisions of Section 4 of this Agreement, during the Term (as defined below) Manager shall have power, authority and responsibility to manage the Customer Accounts in the ordinary course of business.

(b) Nothing contained in this Agreement is intended to give Manager: (i) any right which would constitute a transfer of *de jure* or *de facto* "control" (as defined under Applicable Law) by Sellers of any of the Customer Accounts. The services provided by Manager under this Agreement are not intended to materially diminish or restrict Sellers' ability to comply with their obligations under Applicable Laws. This Agreement shall not be construed to materially diminish or interfere with Sellers' ability to comply with the rules, regulations or directives of any Governmental Authority.

(c) Manager shall be responsible for all costs and expenses to provide telecommunications services to the Customer Accounts via itself and its selected vendors, as well as provide all billing, provisioning, customer service, technical support, repair and other related services. Manager shall be responsible for monitoring all of the administrative and governmental notice, filing, reporting, tax, fee and permit requirements with respect to the Customer Accounts and, when such notices, reports or fees fall due, Manager shall submit to Sellers those notices, reports, invoices or other submissions for Sellers to remit to the appropriate agency (together with documentation supporting the calculations thereon, instructions for remission, and payment reimbursing Sellers for any fees or taxes Sellers must pay each such agency). Manager shall only be responsible for supplying documentation and payment reimbursement to Sellers that relate to the time periods after the Closing Date. Sellers shall promptly forward to Manager any correspondence or communication they receive from any Governmental Authority regarding the Customer Accounts.

(d) Manager shall cooperate with Sellers in providing customer-specific information it may have to the extent required for Sellers to respond to any complaints from any Governmental Authority.

(e) Manager may use Sellers' names and logos on invoices and as part of customer service and in any other capacity required in order to provide the management services for the Customer Accounts.

(f) Upon Sellers' request, Manager will prepare for Sellers draft zero revenue reports and returns, for Sellers' respective officers' signatures. Seller will assist Manager in identifying the necessary returns and reports. Manager shall not be responsible for the quality of such reports, or any deficiencies in Sellers' past reports or filings. In no event shall Manager be responsible for signing any report or filing in Sellers' names or otherwise on behalf of Sellers.

4. Duties and Authority of Seller.

(a) For a period from the Closing Date until the termination of this Agreement, Sellers shall maintain in full force and effect all of their current corporate registrations and filings and FCC and State PUC and other regulatory authorizations, licenses, registrations, tariffs and approvals ("Licenses"). Sellers shall (i) submit all filings required to keep the Licenses in full force and effect and (ii) be responsible for the costs of maintaining such Licenses. For the avoidance of doubt, Sellers are required to submit any and all filings and any payments relating to such filings that relate to time periods prior to the Closing Date, including but not limited to FCC 499 filings and related payments.

(b) Sellers shall cooperate fully with Manager in obtaining all Required Approvals required to complete the transactions contemplated by the Asset Purchase Agreement, including without limitation by providing any necessary information and signatures and promptly resolving any prior failures by Sellers to comply with any License.

5. Term. The term of this Agreement (the "Term") shall commence on the Closing Date and shall automatically terminate upon the earlier of (i) the consummation of the transfer of all of the Customer Accounts to Manager pursuant to Section 2.4 of the Asset Purchase Agreement, or (ii) six months after the date hereof. Manager's obligations under 3(c), (d) and (f) shall survive termination of this Agreement.

6. Management Fee. In consideration for the services provided by Manager to Sellers hereunder, Manager shall collect and retain all accounts receivable, credits, receipts and compensation related to the Customer Accounts for the Term and thereafter, as fully as if Seller had transferred the Customer Accounts to Manager at the Closing pursuant to the Asset Purchase Agreement.

7. Regulatory Compliance. The Parties desire that this Agreement and the obligations hereunder be in full compliance with (i) the terms and conditions of the Sellers' State PUC licenses; (ii) all applicable rules, regulations and policies of the FCC and State PUCs; (iii) the Communications Act of 1934, as amended, (the "Act"); and (iv) any other Applicable Law. If the FCC or any State PUC determines that any provision of this Agreement violates any applicable rules, regulations, or policies, the Parties shall make reasonable efforts to immediately bring this Agreement into compliance, consistent with the terms of this Agreement. It is expressly understood by the Parties that nothing in this Agreement is intended to give, or shall be construed to give, Manager any right which would be deemed to constitute a transfer of control or an assignment (as "control" and "assignment" is defined in the Act, and/or any applicable FCC or state regulations, rules or case law) by the Sellers of any of the Customer Accounts, FCC licenses, or State PUC licenses of Sellers, during the Term hereof.

8. Assignment of Rights Under Agent Agreements. Sellers hereby assign to Manager, the right to enforce the non-solicitation of customer clauses under all

agreements, whether or not terminated or expired, with agents or similar dealer and agent sales agreements between Sellers and third parties ("Agent Agreements").

9. Assignment of Agreement. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto without prior written consent of the other parties (which shall not be unreasonably withheld or delayed); provided, however, that Manager may assign this Agreement and its rights, interests and obligations hereunder at any time to any Affiliate. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns, and no other person shall have any right, benefit or obligation under this Agreement as a third party beneficiary or otherwise.

10. Notices. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be given in accordance with Section 9.2 of the Asset Purchase Agreement or to such other place and with such other copies as any Party may designate as to itself by written notice to the other Parties.

11. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED, INTERPRETED AND THE RIGHTS OF THE PARTIES DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF GEORGIA (WITHOUT REFERENCE TO THE CHOICE OF LAW PROVISIONS OF GEORGIA LAW).

12. Entire Agreement; Amendments and Waivers. This Agreement together with the Asset Purchase Agreement, including all Exhibits and Schedules thereto, constitute the entire agreement among the parties pertaining to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Parties hereto. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

13. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument, binding upon the parties hereto. A facsimile signature page shall be deemed an original, unless an original is required by Applicable Laws.

14. Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted

by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

15. Indemnification by Manager. Manager will indemnify and hold harmless the Sellers and all officers, directors, employees, stockholders, partners, members and agents of the Sellers (individually, a "Seller Indemnitee") from and against any and all damages arising out of Manager's gross negligence or willful misconduct in connection with the performance of the services under this Agreement.

[Signature page follows.]

Executed on the date first set forth above.

PRIMUS TELECOMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

LINGO, INC.

By: _____
Name: _____
Title: _____

BIRCH COMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

Executed on the date first set forth above.

PRIMUS TELECOMMUNICATIONS, INC.

By: _____

Name: _____

Title: _____

LINGO, INC.

By: _____

Name: _____

Title: _____

BIRCH COMMUNICATIONS, INC.

By: _____

Name: Vincnent Oddo

Title: President and Chief Executive Officer

AMENDING AGREEMENT

Amending agreement dated as of September 30, 2016 between Birch Communications, Inc. ("**Manager**") and Primus Telecommunications, Inc. and Lingo, Inc. (collectively, the "**Sellers**").

RECITALS:

(1) Manager, the Sellers and Primus Telecommunications Canada Inc. entered into an asset purchase agreement dated January 19, 2016 (the "**Asset Purchase Agreement**") to effect the acquisition of certain assets of the Sellers by Manager, including, without limitation, the Books and Records of the Sellers (as defined in the Asset Purchase Agreement);

(2) In connection with the Asset Purchase Agreement, Manager and the Sellers entered into a management services agreement dated April 1, 2016 (the "**Management Services Agreement**") for the purpose of establishing the terms under which Manager will, in a manner consistent with Applicable Law, and at the direction and control (*de jure* and *de facto*) of the Sellers, manage customer and CABS accounts in the United States and Puerto Rico pending the necessary Required Approval(s) to transfer such Customer Accounts to Manager;

(3) As at the date hereof, all Regulatory Approvals have been duly issued in respect of the Business in the United States (other than Puerto Rico), and the transfer of all Customer Accounts in respect of the Business in the United States (other than Puerto Rico) have been duly consummated in accordance with Section 2.4 of the Asset Purchase Agreement;

(4) Manager has determined to withdraw the application for Regulatory Approvals in respect of the Business in Puerto Rico and not to proceed with the proposed transfer Customer Accounts in respect of the Business in Puerto Rico to Manager and Sellers do not object to such withdrawal;

(5) As a result, all Customer Accounts in respect of the Business in Puerto Rico currently (continuing from prior to and through the Closing) remain with and are retained by the Sellers, and the Sellers and the Manager are each, in good faith and in cooperation with each other, exploring options with respect to the potential transfer or cessation of service to all such Customer Accounts, including, potentially transferring such Customer Accounts to a third party or potentially disconnecting such Customer Accounts, in each case, subject to approval by the Court, as may be necessary, and in compliance with Applicable Laws; and

(6) Manager and the Sellers wish to amend the Management Services Agreement as provided in this amending agreement.

NOW THEREFORE, in consideration of the above and for other good and valuable consideration, the parties agree as follows:

Section 1 Defined Terms.

Capitalized terms used in this amending agreement that are not defined in it have the meanings given to them in the Management Services Agreement.

Section 2 Management Services Agreement

(1) Section 5 of the Management Services Agreement is hereby amended by deleting sub-clause (ii) of the paragraph in its entirety and replacing it with the following:

"(ii) seven months after the date hereof."

Section 3 Reference to and Effect on the Management Services Agreement.

On and after the date of this amending agreement, any reference to "this Agreement" in the Management Services Agreement and any reference to the Management Services Agreement in any other agreements will mean the Management Services Agreement as amended by this amending agreement. Except as specifically amended by this amending agreement, the provisions of the Management Services Agreement remain in full force and effect (including, without limitation, the termination thereof in respect of the Business in the United States (other than Puerto Rico) and all Customer Accounts therein and thereof.

Section 4 Successors and Assigns.

This amending agreement becomes effective when executed by all of the parties. After that time, it will be binding upon and enure to the benefit of the parties and their respective successors, legal representatives and permitted assigns.

Section 5 Governing Law.

This amending agreement is governed by, and will be interpreted and construed in accordance with, the laws of the State of Georgia (without reference to the choice of law provisions of Georgia law).

Section 6 No Waiver of Rights or Remedies.

Except as specifically set forth herein, this amending agreement shall not constitute a waiver or amendment by the Sellers or the Manager of any of their rights or remedies under or in connection with the Management Services Agreement or pursuant to applicable law, and all such rights are hereby expressly reserved by the Sellers and the Manager.

Section 7 Counterparts.

This amending agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other

electronic means is as effective as a manually executed counterpart of this amending agreement.

[Signature page to follow.]

The parties have executed this amending agreement.

BIRCH COMMUNICATIONS, INC.

By: _____
Name: Scott G. Murphy
Title: CFO

PRIMUS TELECOMMUNICATIONS, INC.

By: _____
Name: Michael Nowlan
Title: Chief Executive Officer

LINGO, INC.

By: _____
Name: Michael Nowlan
Title: Chief Executive Officer

AMENDING AGREEMENT

Amending agreement dated as of October 31, 2016 between Birch Communications, Inc. ("**Manager**") and Primus Telecommunications, Inc. and Lingo, Inc. (collectively, the "**Sellers**").

RECITALS:

(1) Manager, the Sellers and Primus Telecommunications Canada Inc. entered into an asset purchase agreement dated January 19, 2016 (the "**Asset Purchase Agreement**") to effect the acquisition of certain assets of the Sellers by Manager, including, without limitation, the Books and Records of the Sellers (as defined in the Asset Purchase Agreement);

(2) In connection with the Asset Purchase Agreement, Manager and the Sellers entered into a management services agreement dated April 1, 2016 (the "**Management Services Agreement**") for the purpose of establishing the terms under which Manager will, in a manner consistent with Applicable Law, and at the direction and control (*de jure* and *de facto*) of the Sellers, manage customer and CABS accounts in the United States and Puerto Rico pending the necessary Required Approval(s) to transfer such Customer Accounts to Manager;

(3) As at the date hereof, all Regulatory Approvals have been duly issued in respect of the Business in the United States (other than Puerto Rico), and the transfer of all Customer Accounts in respect of the Business in the United States (other than Puerto Rico) have been duly consummated in accordance with Section 2.4 of the Asset Purchase Agreement;

(4) Manager has determined to withdraw the application for Regulatory Approvals in respect of the Business in Puerto Rico and not to proceed with the proposed transfer Customer Accounts in respect of the Business in Puerto Rico to Manager and Sellers do not object to such withdrawal;

(5) As a result, all Customer Accounts in respect of the Business in Puerto Rico currently (continuing from prior to and through the Closing) remain with and are retained by the Sellers, and the Sellers and the Manager are each, in good faith and in cooperation with each other, exploring options with respect to the potential transfer or cessation of service to all such Customer Accounts, including, potentially transferring such Customer Accounts to a third party or potentially disconnecting such Customer Accounts, in each case, subject to approval by the Court, as may be necessary, and in compliance with Applicable Laws; and

(6) Manager and the Sellers wish to amend the Management Services Agreement as provided in this amending agreement.

NOW THEREFORE, in consideration of the above and for other good and valuable consideration, the parties agree as follows:

Section 1 Defined Terms.

Capitalized terms used in this amending agreement that are not defined in it have the meanings given to them in the Management Services Agreement.

Section 2 Management Services Agreement

(1) Section 5 of the Management Services Agreement is hereby amended by deleting sub-clause (ii) of the paragraph in its entirety and replacing it with the following:

"(ii) eight months after the date hereof."

Section 3 Reference to and Effect on the Management Services Agreement.

On and after the date of this amending agreement, any reference to "this Agreement" in the Management Services Agreement and any reference to the Management Services Agreement in any other agreements will mean the Management Services Agreement as amended by this amending agreement. Except as specifically amended by this amending agreement, the provisions of the Management Services Agreement remain in full force and effect (including, without limitation, the termination thereof in respect of the Business in the United States (other than Puerto Rico) and all Customer Accounts therein and thereof.

Section 4 Successors and Assigns.

This amending agreement becomes effective when executed by all of the parties. After that time, it will be binding upon and enure to the benefit of the parties and their respective successors, legal representatives and permitted assigns.

Section 5 Governing Law.

This amending agreement is governed by, and will be interpreted and construed in accordance with, the laws of the State of Georgia (without reference to the choice of law provisions of Georgia law).

Section 6 No Waiver of Rights or Remedies.

Except as specifically set forth herein, this amending agreement shall not constitute a waiver or amendment by the Sellers or the Manager of any of their rights or remedies under or in connection with the Management Services Agreement or pursuant to applicable law, and all such rights are hereby expressly reserved by the Sellers and the Manager.

Section 7 Counterparts.

This amending agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other

electronic means is as effective as a manually executed counterpart of this amending agreement.

[Signature page to follow.]

The parties have executed this amending agreement.

BIRCH COMMUNICATIONS, INC.

By: Scott D Murphy

Name: Scott Murphy

Title: Chief Financial Officer

PRIMUS TELECOMMUNICATIONS, INC.

By: _____

Name:

Title:

LINGO, INC.

By: _____

Name:

Title:

AMENDING AGREEMENT

Amending agreement dated as of December 1, 2016 between Birch Communications, Inc. ("**Manager**") and Primus Telecommunications, Inc. and Lingo, Inc. (collectively, the "**Sellers**").

RECITALS:

(1) Manager, the Sellers and Primus Telecommunications Canada Inc. entered into an asset purchase agreement dated January 19, 2016 (the "**Asset Purchase Agreement**") to effect the acquisition of certain assets of the Sellers by Manager, including, without limitation, the Books and Records of the Sellers (as defined in the Asset Purchase Agreement);

(2) In connection with the Asset Purchase Agreement, Manager and the Sellers entered into a management services agreement dated April 1, 2016 (the "**Management Services Agreement**") for the purpose of establishing the terms under which Manager will, in a manner consistent with Applicable Law, and at the direction and control (*de jure* and *de facto*) of the Sellers, manage customer and CABS accounts in the United States and Puerto Rico pending the necessary Required Approval(s) to transfer such Customer Accounts to Manager;

(3) As at the date hereof, all Regulatory Approvals have been duly issued in respect of the Business in the United States (other than Puerto Rico), and the transfer of all Customer Accounts in respect of the Business in the United States (other than Puerto Rico) have been duly consummated in accordance with Section 2.4 of the Asset Purchase Agreement;

(4) Manager has determined to withdraw the application for Regulatory Approvals in respect of the Business in Puerto Rico and not to proceed with the proposed transfer Customer Accounts in respect of the Business in Puerto Rico to Manager and Sellers do not object to such withdrawal;

(5) As a result, all Customer Accounts in respect of the Business in Puerto Rico currently (continuing from prior to and through the Closing) remain with and are retained by the Sellers, and the Sellers and the Manager are each, in good faith and in cooperation with each other, exploring options with respect to the potential transfer or cessation of service to all such Customer Accounts, including, potentially transferring such Customer Accounts to a third party or potentially disconnecting such Customer Accounts, in each case, subject to approval by the Court, as may be necessary, and in compliance with Applicable Laws; and

(6) Manager and the Sellers wish to amend the Management Services Agreement as provided in this amending agreement.

NOW THEREFORE, in consideration of the above and for other good and valuable consideration, the parties agree as follows:

Section 1 Defined Terms.

Capitalized terms used in this amending agreement that are not defined in it have the meanings given to them in the Management Services Agreement.

Section 2 Management Services Agreement

(1) Section 5 of the Management Services Agreement is hereby amended by deleting sub-clause (ii) of the paragraph in its entirety and replacing it with the following:

"(ii) nine months after the date hereof."

Section 3 Reference to and Effect on the Management Services Agreement.

On and after the date of this amending agreement, any reference to "this Agreement" in the Management Services Agreement and any reference to the Management Services Agreement in any other agreements will mean the Management Services Agreement as amended by this amending agreement. Except as specifically amended by this amending agreement, the provisions of the Management Services Agreement remain in full force and effect (including, without limitation, the termination thereof in respect of the Business in the United States (other than Puerto Rico) and all Customer Accounts therein and thereof.

Section 4 Successors and Assigns.

This amending agreement becomes effective when executed by all of the parties. After that time, it will be binding upon and enure to the benefit of the parties and their respective successors, legal representatives and permitted assigns.

Section 5 Governing Law.

This amending agreement is governed by, and will be interpreted and construed in accordance with, the laws of the State of Georgia (without reference to the choice of law provisions of Georgia law).

Section 6 No Waiver of Rights or Remedies.

Except as specifically set forth herein, this amending agreement shall not constitute a waiver or amendment by the Sellers or the Manager of any of their rights or remedies under or in connection with the Management Services Agreement or pursuant to applicable law, and all such rights are hereby expressly reserved by the Sellers and the Manager.

Section 7 Counterparts.

This amending agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other

electronic means is as effective as a manually executed counterpart of this amending agreement.

[Signature page to follow.]

The parties have executed this amending agreement.

BIRCH COMMUNICATIONS, INC.

By: Scott G. Murphy

Name: Scott G. Murphy

Title: CFO

PRIMUS TELECOMMUNICATIONS, INC.

By: _____

Name: Michael Nowlan

Title: Chief Executive Officer

LINGO, INC.

By: _____

Name: Michael Nowlan

Title: Chief Executive Officer

AMENDING AGREEMENT

Amending agreement dated as of January 1, 2017 between Birch Communications, Inc. ("**Manager**") and Primus Telecommunications, Inc. and Lingo, Inc. (collectively, the "**Sellers**").

RECITALS:

(1) Manager, the Sellers and Primus Telecommunications Canada Inc. entered into an asset purchase agreement dated January 19, 2016 (the "**Asset Purchase Agreement**") to effect the acquisition of certain assets of the Sellers by Manager, including, without limitation, the Books and Records of the Sellers (as defined in the Asset Purchase Agreement);

(2) In connection with the Asset Purchase Agreement, Manager and the Sellers entered into a management services agreement dated April 1, 2016 (the "**Management Services Agreement**") for the purpose of establishing the terms under which Manager will, in a manner consistent with Applicable Law, and at the direction and control (*de jure* and *de facto*) of the Sellers, manage customer and CABS accounts in the United States and Puerto Rico pending the necessary Required Approval(s) to transfer such Customer Accounts to Manager;

(3) As at the date hereof, all Regulatory Approvals have been duly issued in respect of the Business in the United States (other than Puerto Rico), and the transfer of all Customer Accounts in respect of the Business in the United States (other than Puerto Rico) have been duly consummated in accordance with Section 2.4 of the Asset Purchase Agreement;

(4) Manager has determined to withdraw the application for Regulatory Approvals in respect of the Business in Puerto Rico and not to proceed with the proposed transfer Customer Accounts in respect of the Business in Puerto Rico to Manager and Sellers do not object to such withdrawal;

(5) As a result, all Customer Accounts in respect of the Business in Puerto Rico currently (continuing from prior to and through the Closing) remain with and are retained by the Sellers, and the Sellers and the Manager are each, in good faith and in cooperation with each other, exploring options with respect to the potential transfer or cessation of service to all such Customer Accounts, including, potentially transferring such Customer Accounts to a third party or potentially disconnecting such Customer Accounts, in each case, subject to approval by the Court, as may be necessary, and in compliance with Applicable Laws; and

(6) Manager and the Sellers wish to amend the Management Services Agreement as provided in this amending agreement.

NOW THEREFORE, in consideration of the above and for other good and valuable consideration, the parties agree as follows:

Section 1 Defined Terms.

Capitalized terms used in this amending agreement that are not defined in it have the meanings given to them in the Management Services Agreement.

Section 2 Management Services Agreement

(1) Section 5 of the Management Services Agreement is hereby amended by deleting sub-clause (ii) of the paragraph in its entirety and replacing it with the following:

"(ii) ten months after the date hereof."

Section 3 Reference to and Effect on the Management Services Agreement.

On and after the date of this amending agreement, any reference to "this Agreement" in the Management Services Agreement and any reference to the Management Services Agreement in any other agreements will mean the Management Services Agreement as amended by this amending agreement. Except as specifically amended by this amending agreement, the provisions of the Management Services Agreement remain in full force and effect (including, without limitation, the termination thereof in respect of the Business in the United States (other than Puerto Rico) and all Customer Accounts therein and thereof.

Section 4 Successors and Assigns.

This amending agreement becomes effective when executed by all of the parties. After that time, it will be binding upon and enure to the benefit of the parties and their respective successors, legal representatives and permitted assigns.

Section 5 Governing Law.

This amending agreement is governed by, and will be interpreted and construed in accordance with, the laws of the State of Georgia (without reference to the choice of law provisions of Georgia law).

Section 6 No Waiver of Rights or Remedies.

Except as specifically set forth herein, this amending agreement shall not constitute a waiver or amendment by the Sellers or the Manager of any of their rights or remedies under or in connection with the Management Services Agreement or pursuant to applicable law, and all such rights are hereby expressly reserved by the Sellers and the Manager.

Section 7 Counterparts.

This amending agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other

electronic means is as effective as a manually executed counterpart of this amending agreement.

[Signature page to follow.]

The parties have executed this amending agreement.

BIRCH COMMUNICATIONS, INC.

By: Scott D Murphy

Name: Scott Murphy

Title: CFO

PRIMUS TELECOMMUNICATIONS, INC.

By:

Name: Michael Nowlan

Title: Chief Executive Officer

LINGO, INC.

By:

Name: Michael Nowlan

Title: Chief Executive Officer

AMENDING AGREEMENT

Amending agreement dated as of February 1, 2017 between Birch Communications, Inc. ("**Manager**") and Primus Telecommunications, Inc. and Lingo, Inc. (collectively, the "**Sellers**").

RECITALS:

(1) Manager, the Sellers and Primus Telecommunications Canada Inc. entered into an asset purchase agreement dated January 19, 2016 (the "**Asset Purchase Agreement**") to effect the acquisition of certain assets of the Sellers by Manager, including, without limitation, the Books and Records of the Sellers (as defined in the Asset Purchase Agreement);

(2) In connection with the Asset Purchase Agreement, Manager and the Sellers entered into a management services agreement dated April 1, 2016 (the "**Management Services Agreement**") for the purpose of establishing the terms under which Manager will, in a manner consistent with Applicable Law, and at the direction and control (*de jure* and *de facto*) of the Sellers, manage customer and CABS accounts in the United States and Puerto Rico pending the necessary Required Approval(s) to transfer such Customer Accounts to Manager;

(3) As at the date hereof, all Regulatory Approvals have been duly issued in respect of the Business in the United States (other than Puerto Rico), and the transfer of all Customer Accounts in respect of the Business in the United States (other than Puerto Rico) have been duly consummated in accordance with Section 2.4 of the Asset Purchase Agreement;

(4) Manager has determined to withdraw the application for Regulatory Approvals in respect of the Business in Puerto Rico and not to proceed with the proposed transfer Customer Accounts in respect of the Business in Puerto Rico to Manager and Sellers do not object to such withdrawal;

(5) As a result, all Customer Accounts in respect of the Business in Puerto Rico currently (continuing from prior to and through the Closing) remain with and are retained by the Sellers, and the Sellers and the Manager are each, in good faith and in cooperation with each other, exploring options with respect to the potential transfer or cessation of service to all such Customer Accounts, including, potentially transferring such Customer Accounts to a third party or potentially disconnecting such Customer Accounts, in each case, subject to approval by the Court, as may be necessary, and in compliance with Applicable Laws; and

(6) Manager and the Sellers wish to amend the Management Services Agreement as provided in this amending agreement.

NOW THEREFORE, in consideration of the above and for other good and valuable consideration, the parties agree as follows:

Section 1 Defined Terms.

Capitalized terms used in this amending agreement that are not defined in it have the meanings given to them in the Management Services Agreement.

Section 2 Management Services Agreement

(1) Section 5 of the Management Services Agreement is hereby amended by deleting sub-clause (ii) of the paragraph in its entirety and replacing it with the following:

"(ii) eleven months after the date hereof."

Section 3 Reference to and Effect on the Management Services Agreement.

On and after the date of this amending agreement, any reference to "this Agreement" in the Management Services Agreement and any reference to the Management Services Agreement in any other agreements will mean the Management Services Agreement as amended by this amending agreement. Except as specifically amended by this amending agreement, the provisions of the Management Services Agreement remain in full force and effect (including, without limitation, the termination thereof in respect of the Business in the United States (other than Puerto Rico) and all Customer Accounts therein and thereof.

Section 4 Successors and Assigns.

This amending agreement becomes effective when executed by all of the parties. After that time, it will be binding upon and enure to the benefit of the parties and their respective successors, legal representatives and permitted assigns.

Section 5 Governing Law.

This amending agreement is governed by, and will be interpreted and construed in accordance with, the laws of the State of Georgia (without reference to the choice of law provisions of Georgia law).

Section 6 No Waiver of Rights or Remedies.

Except as specifically set forth herein, this amending agreement shall not constitute a waiver or amendment by the Sellers or the Manager of any of their rights or remedies under or in connection with the Management Services Agreement or pursuant to applicable law, and all such rights are hereby expressly reserved by the Sellers and the Manager.

Section 7 Counterparts.

This amending agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other

electronic means is as effective as a manually executed counterpart of this amending agreement.

[Signature page to follow.]

The parties have executed this amending agreement.

BIRCH COMMUNICATIONS, INC.

By: Scott A Murphy

Name: Scott Murphy

Title: VP Finance

PRIMUS TELECOMMUNICATIONS, INC.

By:

Name: Michael Nowlan

Title: Chief Executive Officer

LINGO, INC.

By:

Name: Michael Nowlan

Title: Chief Executive Officer

E

THIS IS EXHIBIT "E"
REFERRED TO IN THE
AFFIDAVIT OF MICHAEL NOWLAN
SWORN BEFORE ME,
THIS 7 TH DAY OF MARCH, 2017

Commissioner for Taking Affidavits

Benjamin Janesh Jain, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 9, 2018.

DISCONTINUANCE OF SERVICES AGREEMENT

This Discontinuance of Services Agreement (hereinafter "Agreement") is made and entered into between Primus Telecommunications, Inc. (hereinafter "PTI"), Birch Communications Inc., on behalf of itself and its subsidiaries (hereinafter, the "Manager") and Puerto Rico Telephone Company, on behalf of itself and its subsidiaries (hereinafter "CLARO"), on this 9th day of December, 2016.

RECITALS

WHEREAS:

A. PTI resells telecommunications services ("Services") to business and residential customers in Puerto Rico (the "Customers").

B. CLARO is an incumbent local exchange carrier that provides wholesale telecommunications services to PTI and that also provides telecommunications services to business and residential customers in Puerto Rico.

C. PTI and the Manager entered into a management services agreement dated April 1, 2016 pursuant to which Manager will, at the direction and control (*de jure* and *de facto*) of PTI, manage customer and carrier access billing systems accounts in the United States and Puerto Rico;

D. PTI will discontinue offering the Services to Customers (the "Discontinuance") effective January 25th 2017 (the "Discontinuance Date"), and will cancel its certificate to operate as a telecommunications service provider in Puerto Rico.

C. In order to ensure a smooth transition and minimize the impact to Customers of the Discontinuance, PTI and CLARO will take certain steps to ensure Customers are transferred to CLARO and CLARO will pay to PTI (or as PTI may hereby direct) for local lines and long distance services of Customers that elect CLARO as their new carrier of record and are converted to CLARO.

VO.BO. DIVISION LEGAL PRTC CLARO

NOW, THEREFORE, for due consideration, PTI and CLARO, agree as follows:

1. **Project Description.** This Agreement sets forth the requirements, conditions and procedures for the Discontinuance of Customer Services by way of solicitation and transfer of Customers from PTI to CLARO. PTI, through the Manager, agrees to notify Customers that the Customer's Services will automatically transfer to CLARO as a result of the Discontinuance (the "Notice of Discontinuance") on the Discontinuance Date unless the Customers select a different carrier for their telecommunications services prior to the Discontinuance Date. PTI agrees to collaborate with CLARO, through the Manager, in contacting Customers to convert services to CLARO's service in advance of the Discontinuance Date by offering CLARO services that are similar to or the same as those Customers' current services. PTI, through the Manager, shall exclusively solicit Customers on CLARO's behalf.

COMPENSATION

2. **Payment.** CLARO will pay PTI (or as PTI may direct) for Customers that convert services to CLARO after the date on which PTI sends Customers the Notice of Discontinuance. CLARO will pay PTI (or as PTI may direct) the following compensation: two hundred and twenty dollars ($220.00) for each local line that is successfully converted to CLARO and in the case of Customers without local lines, one hundred dollars ($100) for each long distance service that is successfully converted to CLARO, all in accordance with the terms specified herein and applicable state and federal slamming regulations.

3. **Process.** CLARO will pay, by wire transfer each Monday after the date on which Customers are sent the Notice of Discontinuance by or on behalf of PTI, for each local line and long distance service that has resulted in a completion of a conversion order in CLARO's provisioning systems (the "Conversion Orders") in the preceding week, and CLARO will provide PTI with a detailed accounting of all Conversion Orders within seven (7) business days of the Discontinuance Date. Payment will be remitted in U.S. dollars. CLARO and PTI will put forth all reasonable business efforts to resolve disputed items within four (4) business days of dispute notification. All payments payable or owing shall be paid to the following:

Pay through: (Destination Bank)
Wells Fargo Bank, N.A. (formerly known as Wachovia)
New York
S.W.I.F.T. BIC CODE: PNBPUS3NNYC

Fed wire ABA Number 026005092 or
CHIPS UID Number 0509

Beneficiary's Bank: Bank of Montreal
International Banking H.O. Montreal, Canada
S.W.I.F.T. BIC CODE: BOFMCAM2

Beneficiary Customer: 00024657743
PRIMUS MANAGEMENT ULC
5343 Dundas Street West, Suite 400
Etobicoke, Ontario M9B 6K5

CUSTOMER CONVERSION DOCUMENTATION

4. CLARO shall maintain complete and accurate records of all recordings of all calls (all referred to herein as "Customer Conversion Documentation"). CLARO shall provide to PTI in electronic format true and correct images of all Customer Conversion Documentation and .wav or similar readily accessible files of each call.

V.O.B.O. DIVISION LEGAL PRT / CLARO

RELATIONSHIP BETWEEN PTI AND CLARO

5. **Independent Contractor.** PTI's relationship to CLARO hereunder shall be that of an independent contractor. Neither party shall be deemed to be the agent of the other, and neither shall have the authority to act on behalf of or bind the other party except in the manner and extent allowed under this Agreement or mutually agreed to in writing. Nothing contained in this Agreement shall be construed to imply that PTI or CLARO, or any employee, agent or other authorized representative of any such party, is a partner, joint venture, agent, officer or employee of the other. Neither PTI nor CLARO shall have any right to, and shall not, sign or otherwise commit the other party to any agreement, contract, or undertaking or waive or compromise any of such other party's rights against Customers or other parties except as specifically provided herein.

COMPLIANCE WITH APPLICABLE LAWS

6. Each of Manager, PTI and CLARO shall, in respect of the matters contemplated in any action taken by such party in accordance with this Agreement, ensure, and be solely responsible for ensuring, that (A) it is in compliance with all applicable laws (including as to regulatory, administrative and other similar rules, policies and other requirements) and (B) it has obtained and provided all permits, authorizations consents, notifications and similar requirements to and from applicable third parties and governmental entities. For greater certainty, nothing herein shall require that any party take any action that is not explicitly provided for in this Agreement.

CONFIDENTIAL INFORMATION AND TRADE SECRETS

7. **Confidential Information.** PTI, Manager and CLARO hereby acknowledge and agree that information disclosed by one party to the other in connection with this Discontinuance of Services Agreement, which such disclosing party has designated as confidential information, whether written or oral, is considered confidential information, and is proprietary to, and is considered the invaluable trade secret of the disclosing party (collectively "Confidential Information"). Any disclosure of Confidential Information by the receiving party shall cause immediate, substantial, and irreparable harm and loss to the disclosing party and its competitive position in the marketplace. The parties understand and desire to keep such Confidential Information in the strictest confidence, and that each parties' agreement to do so is a continuing condition of the receipt and possession of Confidential Information, and a material provision of this Agreement, and a condition that shall survive the termination of this Agreement. Consequently, the parties shall use Confidential Information for the sole purpose of performing its obligations as provided herein. The parties agree not to issue any press release or other public disclosure without the prior review and written approval of each party. PTI, Manager and CLARO agree:

A. Not to disclose Confidential Information to future or existing competitors of the other party or any other party;

B. To limit dissemination of Confidential Information to only those employees who have a need to know such Confidential Information in order to perform their duties as set forth herein; and

C. To return Confidential Information, including all copies and records thereof, to the other party upon receipt of a request from that party or termination of the Agreement as provided herein, whichever occurs first.

D. Once a Customer is converted to CLARO services, PTI and Manager acknowledges that such Customers and Customer information shall be the exclusive property of CLARO and CLARO shall have the exclusive right to deal with such Customers with regard to local, local toll, and long distance interexchange telecommunications services. All information relating to such Customers shall thereafter be deemed CLARO Confidential Information.

However, nothing set out in this section 8 will restrict, impact or otherwise limit the ability of PTI (or its Court-appointed monitor, through a formal report to the Court or otherwise) from disclosing the existence and the terms of this Discontinuance of Services Agreement to the Ontario Superior Court of Justice (or equivalent Canadian Court) or to its creditors or other

stakeholders in accordance with the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 and/or the U.S. Bankruptcy Court for the District of Delaware in accordance with the provisions of Chapter 15 of Title 11 to the U.S. Code.

TERM AND TERMINATION

8. Term. This Agreement will terminate on February 15th, 2017 unless extended by mutual written agreement of the parties. Either party may terminate this Agreement and/or cease or suspend the Services for Cause as defined below.

9. Conditions Allowing Termination For Cause. During the term of this Agreement, either party may terminate the Agreement for Cause upon notice for:

A. The failure of CLARO to pay the required fees as provided in the Agreement.

B. The failure of either party to abide by any term or condition of this Agreement, each of which shall be deemed material for purposes of this section.

10. Notice Required Before Termination For Cause. Before terminating this Agreement for Cause, the terminating party must notify the other in writing that:

A. A condition specified in paragraph 12 exist that permits the terminating party to terminate the Agreement for Cause; and

B. The terminating party intends to exercise its termination rights if the condition is not satisfactorily corrected within two (2) business days of notice.

11. Right to Correct Condition. Because of the short duration of this Agreement, each notified party will have two (2) business days from receipt of Notice of Intent to Terminate for Cause to correct the condition to the notifying party's satisfaction.

12. Right to Terminate. If a party fails to correct the condition within two (2) business days of Notice of Intent to Terminate for Cause, the notifying party may terminate the Agreement.

13. Duty to Mitigate Costs. Upon receipt of a Notice of Termination, each party has a duty to mitigate costs. Specific instructions regarding the timing of the termination, final invoicing and other matters relating to the termination will be described in the Notice of Termination.

VO.BO. DIVISION LEGAL PRT / CLARO

MISCELLANEOUS

14. Limitation of Liability. Notwithstanding anything contained herein, the maximum liability of any party hereunder shall be limited to the aggregate amount payable by CLARO under Section 2 of this Agreement.

15. No Waiver. A waiver by either party of a breach or violation of any provision of this Agreement will not constitute or be construed as a waiver of any subsequent breach or violation of that provision or as a waiver of any breach or violation of any other provision of this Agreement.

16. Force Majeure. No party is liable for failure to carry out any of its obligations under this Agreement caused by Force Majeure. A party rendered unable to fulfill any obligation under this Agreement by Force Majeure must make reasonable efforts to remove the inability in the shortest possible time. The other party will be excused from performing its obligations until the party relying on the Force Majeure is again in full compliance with its obligations under the Agreement. "Force Majeure" means any cause beyond the control of the party affected, and which the party affected is unable to overcome by reasonable efforts, including without limitation the following: acts of God; fire, flood, landslide, lightning, earthquake, hurricane, tornado, storm, freeze, volcanic eruption or drought; blight, famine, epidemic or quarantine; theft; casualty; war; invasion; civil disturbance; explosion; acts of public enemies; sabotage; or Labor-related impediments.

17. Choice of Law and Venue. This Agreement and the rights of the parties hereunder shall be governed by and construed in accordance with the laws of the province of Ontario and the federal laws of Canada, including all matters of construction, validity, performance, and enforcement and without giving effect to the principles of conflict of laws.

18. Severability. Should any provision or any part of this Agreement be held unenforceable by any court or arbitrator, then the remainder of the Agreement shall be given full force and effect and the invalid provision shall be deemed severed from this Agreement.

19. Modification. This Agreement may only be modified in writing, signed by each party hereto and any purported oral modifications shall be unenforceable.

20. Integration. This Agreement and incorporated terms contain the entire understanding of the parties hereto and supersede any and all prior negotiations or agreements. The only terms of the parties are the written terms of this Agreement and incorporated terms.

21. No Interpretation Against Drafter. This Agreement has been negotiated at arm's length between persons

sophisticated and knowledgeable in these types of matters. In addition, each party has been represented by experienced and knowledgeable legal counsel, or had the opportunity to consult such counsel. Accordingly, any normal rule of construction or legal decision that would require a court to resolve any ambiguities against the drafting party is hereby waived and shall not apply in interpreting this Agreement.

22. Counterparts & Facsimile or PDF Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A Party may deliver this Agreement by transmitting a facsimile or PDF copy of this Agreement to the other Party. A facsimile or PDF copy of this Agreement, including the executed signature page thereof, shall be deemed an original.

PTI, THE MANAGER AND CLARO ACKNOWLEDGE THAT THEY HAVE READ EACH AND EVERY PARAGRAPH OF THIS AGREEMENT AND THAT THEY UNDERSTAND THEIR RIGHTS AND OBLIGATIONS HEREUNDER AND THAT THEY HAVE BEEN ADVISED TO CONSULT THEIR RESPECTIVE ATTORNEYS PRIOR TO EXECUTING THIS AGREEMENT.

By signing below, PTI, the Manager and CLARO acknowledge that they have read, understood and agree to the terms of this Agreement and affirm that they have the proper authority to bind their respective entity.

PTI
Signature:
Print Name:
Title:
Address:

CLARO
Signature:
Print Name: Enrique Ortiz De Montellano
Title: President, PRTC/CLARO PR
Address: #1515 F.D. Roosevelt Ave. Guaynabo, Puerto Rico 00936-0998 Puerto Rico

V.O.B.O. DIVISION LEGAL PRT / CLARO

Revisado por la División de Contratos
Depto. Legal PRT/Claro
Fecha: 12/9/2016
Firma:

MANAGER
Signature:
Print Name:
Title:
Address:

Error! Unknown document property name.

DISCONTINUANCE OF SERVICES AGREEMENT

This Discontinuance of Services Agreement (hereinafter "Agreement") is made and entered into between Primus Telecommunications, Inc. (hereinafter "PTI"), Birch Communications Inc., on behalf of itself and its subsidiaries (hereinafter, the "Manager") and Puerto Rico Telephone Company, on behalf of itself and its subsidiaries (hereinafter "CLARO"), on this 9th day of December, 2016.

RECITALS

WHEREAS:

A. PTI resells telecommunications services ("Services") to business and residential customers in Puerto Rico (the "Customers").

B. CLARO is an incumbent local exchange carrier that provides wholesale telecommunications services to PTI and that also provides telecommunications services to business and residential customers in Puerto Rico.

C. PTI and the Manager entered into a management services agreement dated April 1, 2016 pursuant to which Manager will, at the direction and control (*de jure* and *de facto*) of PTI, manage customer and carrier access billing systems accounts in the United States and Puerto Rico;

D. PTI will discontinue offering the Services to Customers (the "Discontinuance") effective January 25th 2017 (the "Discontinuance Date"), and will cancel its certificate to operate as a telecommunications service provider in Puerto Rico.

C. In order to ensure a smooth transition and minimize the impact to Customers of the Discontinuance, PTI and CLARO will take certain steps to ensure Customers are transferred to CLARO and CLARO will pay to PTI (or as PTI may hereby direct) for local lines and long distance services of Customers that elect CLARO as their new carrier of record and are converted to CLARO.

NOW, THEREFORE, for due consideration, PTI and CLARO, agree as follows:

1. **Project Description.** This Agreement sets forth the requirements, conditions and procedures for the Discontinuance of Customer Services by way of solicitation and transfer of Customers from PTI to CLARO. PTI, through the Manager, agrees to notify Customers that the Customer's Services will automatically transfer to CLARO as a result of the Discontinuance (the "Notice of Discontinuance") on the Discontinuance Date unless the Customers select a different carrier for their telecommunications services prior to the Discontinuance Date. PTI agrees to collaborate with CLARO, through the Manager, in contacting Customers to convert services to CLARO's service in advance of the Discontinuance Date by offering CLARO services that are similar to or the same as those Customers' current services. PTI, through the Manager, shall exclusively solicit Customers on CLARO's behalf.

COMPENSATION

2. **Payment.** CLARO will pay PTI (or as PTI may direct) for Customers that convert services to CLARO after the date on which PTI sends Customers the Notice of Discontinuance. CLARO will pay PTI (or as PTI may direct) the following compensation: two hundred and twenty dollars ($220.00) for each local line that is successfully converted to CLARO and in the case of Customers without local lines, one hundred dollars ($100) for each long distance service that is successfully converted to CLARO, all in accordance with the terms specified herein and applicable state and federal slamming regulations.

3. **Process.** CLARO will pay, by wire transfer each Monday after the date on which Customers are sent the Notice of Discontinuance by or on behalf of PTI, for each local line and long distance service that has resulted in a completion of a conversion order in CLARO's provisioning systems (the "Conversion Orders") in the preceding week, and CLARO will provide PTI with a detailed accounting of all Conversion Orders within seven (7) business days of the Discontinuance Date. Payment will be remitted in U.S. dollars. CLARO and PTI will put forth all reasonable business efforts to resolve disputed items within four (4) business days of dispute notification. All payments payable or owing shall be paid to the following:

Pay through: (Destination Bank)

Wells Fargo Bank, N.A. (formerly known as Wachovia)
New York
S.W.I.F.T. BIC CODE: PNBPUS3NNYC

Fed wire ABA Number 026005092 or
CHIPS UID Number 0509

Beneficiary's Bank: Bank of Montreal
International Banking H.O. Montreal, Canada
S.W.I.F.T. BIC CODE: BOFMCAM2

Beneficiary Customer: 00024657743
PRIMUS MANAGEMENT ULC
5343 Dundas Street West, Suite 400
Etobicoke, Ontario M9B 6K5

CUSTOMER CONVERSION DOCUMENTATION

4. CLARO shall maintain complete and accurate records of all recordings of all calls (all referred to herein as "Customer Conversion Documentation"). CLARO shall provide to PTI in electronic format true and correct images of all Customer Conversion Documentation and .wav or similar readily accessible files of each call.

RELATIONSHIP BETWEEN PTI AND CLARO

5. **Independent Contractor.** PTI's relationship to CLARO hereunder shall be that of an independent contractor. Neither party shall be deemed to be the agent of the other, and neither shall have the authority to act on behalf of or bind the other party except in the manner and extent allowed under this Agreement or mutually agreed to in writing. Nothing contained in this Agreement shall be construed to imply that PTI or CLARO, or any employee, agent or other authorized representative of any such party, is a partner, joint venture, agent, officer or employee of the other. Neither PTI nor CLARO shall have any right to, and shall not, sign or otherwise commit the other party to any agreement, contract, or undertaking or waive or compromise any of such other party's rights against Customers or other parties except as specifically provided herein.

COMPLIANCE WITH APPLICABLE LAWS

6. Each of Manager, PTI and CLARO shall, in respect of the matters contemplated in any action taken by such party in accordance with this Agreement, ensure, and be solely responsible for ensuring, that (A) it is in compliance with all applicable laws (including as to regulatory, administrative and other similar rules, policies and other requirements) and (B) it has obtained and provided all permits, authorizations consents, notifications and similar requirements to and from applicable third parties and governmental entities. For greater certainty, nothing herein shall require that any party take any action that is not explicitly provided for in this Agreement.

CONFIDENTIAL INFORMATION AND TRADE SECRETS

7. **Confidential Information.** PTI, Manager and CLARO hereby acknowledge and agree that information disclosed by one party to the other in connection with this Discontinuance of Services Agreement, which such disclosing party has designated as confidential information, whether written or oral, is considered confidential information, and is proprietary to, and is considered the invaluable trade secret of the disclosing party (collectively "Confidential Information"). Any disclosure of Confidential Information by the receiving party shall cause immediate, substantial, and irreparable harm and loss to the disclosing party and its competitive position in the marketplace. The parties understand and desire to keep such Confidential Information in the strictest confidence, and that each parties' agreement to do so is a continuing condition of the receipt and possession of Confidential Information, and a material provision of this Agreement, and a condition that shall survive the termination of this Agreement. Consequently, the parties shall use Confidential Information for the sole purpose of performing its obligations as provided herein. The parties agree not to issue any press release or other public disclosure without the prior review and written approval of each party. PTI, Manager and CLARO agree:

A. Not to disclose Confidential Information to future or existing competitors of the other party or any other party;

B. To limit dissemination of Confidential Information to only those employees who have a need to know such Confidential Information in order to perform their duties as set forth herein; and

C. To return Confidential Information, including all copies and records thereof, to the other party upon receipt of a request from that party or termination of the Agreement as provided herein, whichever occurs first.

D. Once a Customer is converted to CLARO services, PTI and Manager acknowledges that such Customers and Customer information shall be the exclusive property of CLARO and CLARO shall have the exclusive right to deal with such Customers with regard to local, local toll, and long distance interexchange telecommunications services. All information relating to such Customers shall thereafter be deemed CLARO Confidential Information.

However, nothing set out in this section 8 will restrict, impact or otherwise limit the ability of PTI (or its Court-appointed monitor, through a formal report to the Court or otherwise) from disclosing the existence and the terms of this Discontinuance of Services Agreement to the Ontario Superior Court of Justice (or equivalent Canadian Court) or to its creditors or other stakeholders in accordance with the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 and/or the U.S. Bankruptcy Court for the District of Delaware in accordance with the provisions of Chapter 15 of Title 11 to the U.S. Code.

TERM AND TERMINATION

8. Term. This Agreement will terminate on February 15th, 2017 unless extended by mutual written agreement of the parties. Either party may terminate this Agreement and/or cease or suspend the Services for Cause as defined below.

9. Conditions Allowing Termination For Cause. During the term of this Agreement, either party may terminate the Agreement for Cause upon notice for:

A. The failure of CLARO to pay the required fees as provided in the Agreement.

B. The failure of either party to abide by any term or condition of this Agreement, each of which shall be deemed material for purposes of this section.

10. Notice Required Before Termination For Cause. Before terminating this Agreement for Cause, the terminating party must notify the other in writing that:

A. A condition specified in paragraph 12 exist that permits the terminating party to terminate the Agreement for Cause; and

B. The terminating party intends to exercise its termination rights if the condition is not satisfactorily corrected within two (2) business days of notice.

11. Right to Correct Condition. Because of the short duration of this Agreement, each notified party will have two (2) business days from receipt of Notice of Intent to Terminate for Cause to correct the condition to the notifying party's satisfaction.

12. Right to Terminate. If a party fails to correct the condition within two (2) business days of Notice of Intent to Terminate for Cause, the notifying party may terminate the Agreement.

13. Duty to Mitigate Costs. Upon receipt of a Notice of Termination, each party has a duty to mitigate costs. Specific instructions regarding the timing of the termination, final invoicing and other matters relating to the termination will be described in the Notice of Termination.

MISCELLANEOUS

14. Limitation of Liability. Notwithstanding anything contained herein, the maximum liability of any party hereunder shall be limited to the aggregate amount payable by CLARO under Section 2 of this Agreement.

15. No Waiver. A waiver by either party of a breach or violation of any provision of this Agreement will not constitute or be construed as a waiver of any subsequent breach or violation of that provision or as a waiver of any breach or violation of any other provision of this Agreement.

16. Force Majeure. No party is liable for failure to carry out any of its obligations under this Agreement caused by Force Majeure. A party rendered unable to fulfill any obligation under this Agreement by Force Majeure must make reasonable efforts to remove the inability in the shortest possible time. The other party will be excused from performing its obligations until the party relying on the Force Majeure is again in full compliance with its obligations under the Agreement. "Force Majeure" means any cause beyond the control of the party affected, and which the party affected is unable to overcome by reasonable efforts, including without limitation the following: acts of God; fire, flood, landslide, lightning, earthquake, hurricane, tornado, storm, freeze, volcanic eruption or drought; blight, famine, epidemic or quarantine; theft; casualty; war; invasion; civil disturbance; explosion; acts of public enemies; sabotage; or Labor-related impediments.

17. Choice of Law and Venue. This Agreement and the rights of the parties hereunder shall be governed by and construed in accordance with the laws of the province of Ontario and the federal laws of Canada, including all matters of construction, validity, performance, and enforcement and without giving effect to the principles of conflict of laws.

18. Severability. Should any provision or any part of this Agreement be held unenforceable by any court or arbitrator, then the remainder of the Agreement shall be given full force and effect and the invalid provision shall be deemed severed from this Agreement.

19. Modification. This Agreement may only be modified in writing, signed by each party hereto and any purported oral modifications shall be unenforceable.

20. Integration. This Agreement and incorporated terms contain the entire understanding of the parties hereto and supersede any and all prior negotiations or agreements. The only terms of the parties are the written terms of this Agreement and incorporated terms.

21. No Interpretation Against Drafter. This Agreement has been negotiated at arm's length between persons sophisticated and knowledgeable in these types of matters. In addition, each party has been represented by experienced and knowledgeable legal counsel, or had the opportunity to consult such counsel. Accordingly, any normal rule of construction or legal decision that would require a court to resolve any ambiguities against the drafting party is hereby waived and shall not apply in interpreting this Agreement.

22. Counterparts & Facsimile or PDF Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A Party may deliver this Agreement by transmitting a facsimile or PDF copy of this Agreement to the other Party. A facsimile or PDF copy of this Agreement, including the executed signature page thereof, shall be deemed an original.

PTI, THE MANAGER AND CLARO ACKNOWLEDGE THAT THEY HAVE READ EACH AND EVERY PARAGRAPH OF THIS AGREEMENT AND THAT THEY UNDERSTAND THEIR RIGHTS AND OBLIGATIONS HEREUNDER AND THAT THEY HAVE BEEN ADVISED TO CONSULT THEIR RESPECTIVE ATTORNEYS PRIOR TO EXECUTING THIS AGREEMENT.

By signing below, PTI, the Manager and CLARO acknowledge that they have read, understood and agree to the terms of this Agreement and affirm that they have the proper authority to bind their respective entity.

PTI	
Signature:	
Print Name:	
Title:	
Address:	

CLARO
Signature:
Print Name: Enrique Ortiz De Montellano
Title: President, PRTC/CLARO PR
Address: #1515 F.D. Roosevelt Ave. Guaynabo, Puerto Rico 00936-0998 Puerto Rico

MANAGER
Signature: Scott G Murphy
Print Name: Scott G. Murphy
Title: CFO
Address: 320 Interstate North Pkwy SE, Atlanta, Ga. 30339

DISCONTINUANCE OF SERVICES AGREEMENT

This Discontinuance of Services Agreement (hereinafter "Agreement") is made and entered into between Primus Telecommunications, Inc. (hereinafter "PTI"), Birch Communications Inc., on behalf of itself and its subsidiaries (hereinafter, the "Manager") and Puerto Rico Telephone Company, on behalf of itself and its subsidiaries (hereinafter "CLARO"), on this 9th day of December, 2016.

RECITALS

WHEREAS:

A. PTI resells telecommunications services ("Services") to business and residential customers in Puerto Rico (the "Customers").

B. CLARO is an incumbent local exchange carrier that provides wholesale telecommunications services to PTI and that also provides telecommunications services to business and residential customers in Puerto Rico.

C. PTI and the Manager entered into a management services agreement dated April 1, 2016 pursuant to which Manager will, at the direction and control (*de jure* and *de facto*) of PTI, manage customer and carrier access billing systems accounts in the United States and Puerto Rico;

D. PTI will discontinue offering the Services to Customers (the "Discontinuance") effective January 25th 2017 (the "Discontinuance Date"), and will cancel its certificate to operate as a telecommunications service provider in Puerto Rico.

C. In order to ensure a smooth transition and minimize the impact to Customers of the Discontinuance, PTI and CLARO will take certain steps to ensure Customers are transferred to CLARO and CLARO will pay to PTI (or as PTI may hereby direct) for local lines and long distance services of Customers that elect CLARO as their new carrier of record and are converted to CLARO.

NOW, THEREFORE, for due consideration, PTI and CLARO, agree as follows:

1. **Project Description.** This Agreement sets forth the requirements, conditions and procedures for the Discontinuance of Customer Services by way of solicitation and transfer of Customers from PTI to CLARO. PTI, through the Manager, agrees to notify Customers that the Customer's Services will automatically transfer to CLARO as a result of the Discontinuance (the "Notice of Discontinuance") on the Discontinuance Date unless the Customers select a different carrier for their telecommunications services prior to the Discontinuance Date. PTI agrees to collaborate with CLARO, through the Manager, in contacting Customers to convert services to CLARO's service in advance of the Discontinuance Date by offering CLARO services that are similar to or the same as those Customers' current services. PTI, through the Manager, shall exclusively solicit Customers on CLARO's behalf.

COMPENSATION

2. **Payment.** CLARO will pay PTI (or as PTI may direct) for Customers that convert services to CLARO after the date on which PTI sends Customers the Notice of Discontinuance. CLARO will pay PTI (or as PTI may direct) the following compensation: two hundred and twenty dollars ($220.00) for each local line that is successfully converted to CLARO and in the case of Customers without local lines, one hundred dollars ($100) for each long distance service that is successfully converted to CLARO, all in accordance with the terms specified herein and applicable state and federal slamming regulations.

3. **Process.** CLARO will pay, by wire transfer each Monday after the date on which Customers are sent the Notice of Discontinuance by or on behalf of PTI, for each local line and long distance service that has resulted in a completion of a conversion order in CLARO's provisioning systems (the "Conversion Orders") in the preceding week, and CLARO will provide PTI with a detailed accounting of all Conversion Orders within seven (7) business days of the Discontinuance Date. Payment will be remitted in U.S. dollars. CLARO and PTI will put forth all reasonable business efforts to resolve disputed items within four (4) business days of dispute notification. All payments payable or owing shall be paid to the following:

Pay through: (Destination Bank)

Wells Fargo Bank, N.A. (formerly known as Wachovia)
New York
S.W.I.F.T. BIC CODE: PNBPUS3NNYC

Fed wire ABA Number 026005092 or
CHIPS UID Number 0509

Beneficiary's Bank: Bank of Montreal
International Banking H.O. Montreal, Canada
S.W.I.F.T. BIC CODE: BOFMCAM2

Beneficiary Customer: 00024657743
PRIMUS MANAGEMENT ULC
5343 Dundas Street West, Suite 400
Etobicoke, Ontario M9B 6K5

CUSTOMER CONVERSION DOCUMENTATION

4. CLARO shall maintain complete and accurate records of all recordings of all calls (all referred to herein as "Customer Conversion Documentation"). CLARO shall provide to PTI in electronic format true and correct images of all Customer Conversion Documentation and .wav or similar readily accessible files of each call.

RELATIONSHIP BETWEEN PTI AND CLARO

5. Independent Contractor. PTI's relationship to CLARO hereunder shall be that of an independent contractor. Neither party shall be deemed to be the agent of the other, and neither shall have the authority to act on behalf of or bind the other party except in the manner and extent allowed under this Agreement or mutually agreed to in writing. Nothing contained in this Agreement shall be construed to imply that PTI or CLARO, or any employee, agent or other authorized representative of any such party, is a partner, joint venture, agent, officer or employee of the other. Neither PTI nor CLARO shall have any right to, and shall not, sign or otherwise commit the other party to any agreement, contract, or undertaking or waive or compromise any of such other party's rights against Customers or other parties except as specifically provided herein.

COMPLIANCE WITH APPLICABLE LAWS

6. Each of Manager, PTI and CLARO shall, in respect of the matters contemplated in any action taken by such party in accordance with this Agreement, ensure, and be solely responsible for ensuring, that (A) it is in compliance with all applicable laws (including as to regulatory, administrative and other similar rules, policies and other requirements) and (B) it has obtained and provided all permits, authorizations consents, notifications and similar requirements to and from applicable third parties and governmental entities. For greater certainty, nothing herein shall require that any party take any action that is not explicitly provided for in this Agreement.

CONFIDENTIAL INFORMATION AND TRADE SECRETS

7. **Confidential Information.** PTI, Manager and CLARO hereby acknowledge and agree that information disclosed by one party to the other in connection with this Discontinuance of Services Agreement, which such disclosing party has designated as confidential information, whether written or oral, is considered confidential information, and is proprietary to, and is considered the invaluable trade secret of the disclosing party (collectively "Confidential Information"). Any disclosure of Confidential Information by the receiving party shall cause immediate, substantial, and irreparable harm and loss to the disclosing party and its competitive position in the marketplace. The parties understand and desire to keep such Confidential Information in the strictest confidence, and that each parties' agreement to do so is a continuing condition of the receipt and possession of Confidential Information, and a material provision of this Agreement, and a condition that shall survive the termination of this Agreement. Consequently, the parties shall use Confidential Information for the sole purpose of performing its obligations as provided herein. The parties agree not to issue any press release or other public disclosure without the prior review and written approval of each party. PTI, Manager and CLARO agree:

A. Not to disclose Confidential Information to future or existing competitors of the other party or any other party;

B. To limit dissemination of Confidential Information to only those employees who have a need to know such Confidential Information in order to perform their duties as set forth herein; and

C. To return Confidential Information, including all copies and records thereof, to the other party upon receipt of a request from that party or termination of the Agreement as provided herein, whichever occurs first.

D. Once a Customer is converted to CLARO services, PTI and Manager acknowledges that such Customers and Customer information shall be the exclusive property of CLARO and CLARO shall have the exclusive right to deal with such Customers with regard to local, local toll, and long distance interexchange telecommunications services. All information relating to such Customers shall thereafter be deemed CLARO Confidential Information.

However, nothing set out in this section 8 will restrict, impact or otherwise limit the ability of PTI (or its Court-appointed monitor, through a formal report to the Court or otherwise) from disclosing the existence and the terms of this Discontinuance of Services Agreement to the Ontario Superior Court of Justice (or equivalent Canadian Court) or to its creditors or other stakeholders in accordance with the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 and/or the U.S. Bankruptcy Court for the District of Delaware in accordance with the provisions of Chapter 15 of Title 11 to the U.S. Code.

TERM AND TERMINATION

8. Term. This Agreement will terminate on February 15th, 2017 unless extended by mutual written agreement of the parties. Either party may terminate this Agreement and/or cease or suspend the Services for Cause as defined below.

9. Conditions Allowing Termination For Cause. During the term of this Agreement, either party may terminate the Agreement for Cause upon notice for:

A. The failure of CLARO to pay the required fees as provided in the Agreement.

B. The failure of either party to abide by any term or condition of this Agreement, each of which shall be deemed material for purposes of this section.

10. Notice Required Before Termination For Cause. Before terminating this Agreement for Cause, the terminating party must notify the other in writing that:

A. A condition specified in paragraph 12 exist that permits the terminating party to terminate the Agreement for Cause; and

B. The terminating party intends to exercise its termination rights if the condition is not satisfactorily corrected within two (2) business days of notice.

11. Right to Correct Condition. Because of the short duration of this Agreement, each notified party will have two (2) business days from receipt of Notice of Intent to Terminate for Cause to correct the condition to the notifying party's satisfaction.

12. Right to Terminate. If a party fails to correct the condition within two (2) business days of Notice of Intent to Terminate for Cause, the notifying party may terminate the Agreement.

13. Duty to Mitigate Costs. Upon receipt of a Notice of Termination, each party has a duty to mitigate costs. Specific instructions regarding the timing of the termination, final invoicing and other matters relating to the termination will be described in the Notice of Termination.

MISCELLANEOUS

14. Limitation of Liability. Notwithstanding anything contained herein, the maximum liability of any party hereunder shall be limited to the aggregate amount payable by CLARO under Section 2 of this Agreement.

15. No Waiver. A waiver by either party of a breach or violation of any provision of this Agreement will not constitute or be construed as a waiver of any subsequent breach or violation of that provision or as a waiver of any breach or violation of any other provision of this Agreement.

16. Force Majeure. No party is liable for failure to carry out any of its obligations under this Agreement caused by Force Majeure. A party rendered unable to fulfill any obligation under this Agreement by Force Majeure must make reasonable efforts to remove the inability in the shortest possible time. The other party will be excused from performing its obligations until the party relying on the Force Majeure is again in full compliance with its obligations under the Agreement. "Force Majeure" means any cause beyond the control of the party affected, and which the party affected is unable to overcome by reasonable efforts, including without limitation the following: acts of God; fire, flood, landslide, lightning, earthquake, hurricane, tornado, storm, freeze, volcanic eruption or drought; blight, famine, epidemic or quarantine; theft; casualty; war; invasion; civil disturbance; explosion; acts of public enemies; sabotage; or Labor-related impediments.

17. Choice of Law and Venue. This Agreement and the rights of the parties hereunder shall be governed by and construed in accordance with the laws of the province of Ontario and the federal laws of Canada, including all matters of construction, validity, performance, and enforcement and without giving effect to the principles of conflict of laws.

18. Severability. Should any provision or any part of this Agreement be held unenforceable by any court or arbitrator, then the remainder of the Agreement shall be given full force and effect and the invalid provision shall be deemed severed from this Agreement.

19. Modification. This Agreement may only be modified in writing, signed by each party hereto and any purported oral modifications shall be unenforceable.

20. Integration. This Agreement and incorporated terms contain the entire understanding of the parties hereto and supersede any and all prior negotiations or agreements. The only terms of the parties are the written terms of this Agreement and incorporated terms.

21. No Interpretation Against Drafter. This Agreement has been negotiated at arm's length between persons sophisticated and knowledgeable in these types of matters. In addition, each party has been represented by experienced and knowledgeable legal counsel, or had the opportunity to consult such counsel. Accordingly, any normal rule of construction or legal decision that would require a court to resolve any ambiguities against the drafting party is hereby waived and shall not apply in interpreting this Agreement.

22. Counterparts & Facsimile or PDF Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A Party may deliver this Agreement by transmitting a facsimile or PDF copy of this Agreement to the other Party. A facsimile or PDF copy of this Agreement, including the executed signature page thereof, shall be deemed an original.

PTI, THE MANAGER AND CLARO ACKNOWLEDGE THAT THEY HAVE READ EACH AND EVERY PARAGRAPH OF THIS AGREEMENT AND THAT THEY UNDERSTAND THEIR RIGHTS AND OBLIGATIONS HEREUNDER AND THAT THEY HAVE BEEN ADVISED TO CONSULT THEIR RESPECTIVE ATTORNEYS PRIOR TO EXECUTING THIS AGREEMENT.

By signing below, PTI, the Manager and CLARO acknowledge that they have read, understood and agree to the terms of this Agreement and affirm that they have the proper authority to bind their respective entity.

PTI	
Signature:	
Print Name:	Michael Nowlan
Title:	Chief Executive Officer
Address:	c/o Stikeman Elliot LLP, 5300 Commerce Court West, 199 Bay Street, Toronto, ON M5L 1B9

CLARO	
Signature:	
Print Name:	Enrique Ortiz De Montellano
Title:	President, PRTC/CLARO PR
Address:	#1515 F.D. Roosevelt Ave. Guaynabo, Puerto Rico 00936-0998 Puerto Rico

MANAGER	
Signature:	
Print Name:	
Title:	
Address:	

TAB 3

Court File No. CV-16-11257-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	THURSDAY, THE 9th DAY
	)	
	)	OF MARCH, 2017

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 PT HOLDCO, INC., PRIMUS TELECOMMUNICATIONS CANADA INC., PTUS, INC., PRIMUS TELECOMMUNICATIONS, INC., AND LINGO, INC.

Applicants

STAY EXTENSION AND APPROVAL ORDER

THIS MOTION, made by PT Holdco, Inc. ("**Holdco**"), Primus Telecommunications Canada Inc. ("**Primus Canada**"), PTUS, Inc. ("**PTUS**"), Primus Telecommunications, Inc. ("**PTI**") and Lingo, Inc. ("**Lingo**", and together with PTUS and PTI, the "**U.S. Primus Entities**", and collectively with Holdco and Primus Canada, the "**Primus Entities**" or the "**Applicants**") for an order extending the stay of proceedings until the earlier of September 1, 2017 or the termination of the Primus Entities' proceedings under 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.

ON READING the affidavit of Michael Nowlan sworn March ●, 2017, the Fifth Report of the Monitor dated March ●, 2016 (the "**Fifth Report**") and on hearing the submissions of counsel for the Applicants and FTI in its capacity as the Court-appointed Monitor of the Applicants (the "**Monitor**"), no one else appearing for any other person on the service list,

although duly served as appears from the affidavit of service of Vlad Calina sworn March 6, 2017.

SERVICE

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

DEFINED TERMS

2. **THIS COURT ORDERS** that unless otherwise defined herein, capitalized terms used in this Order shall have the meaning given to them in the Order of Mr. Justice Penny dated January 19, 2016, made in these proceedings (the "**Initial Order**").

STAY EXTENSION

3. **THIS COURT ORDERS** that the Stay Period referred to in the Initial Order is extended until the earlier of the CCAA Termination Time (as defined in the Order of Mr. Justice Newbold dated September 16, 2016) or September 1, 2017.

APPROVAL OF ACTIVITIES

4. **THIS COURT ORDERS** that the Fifth Report and the actions, conduct and activities of the Monitor described therein are hereby approved.

GENERAL

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

_____

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 PT HOLDCO, INC., PRIMUS TELECOMMUNICATIONS CANADA INC., PTUS, INC., PRIMUS TELECOMMUNICATIONS, INC., AND LINGO, INC..

Court File No. CV-16-11257-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

STAY EXTENSION AND APPROVAL ORDER

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MOTION RECORD
(Returnable March 9, 2017)
(Re: Stay Extension and Approval)

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