



Court File No. 02-CL-4394

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

THE HONOURABLE MADAM) WEDNESDAY, THE 5th DAY
JUSTICE GREER) OF JUNE, 2002

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

AND IN THE MATTER OF THE COURTS OF JUSTICE ACT,
R.S.O. 1990, c. C-43, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MICROFORUM INC.

APPLICATION UNDER THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36

MEETINGS ORDER

THIS MOTION made by Microforum Inc. (the "Applicant") for:

- (a) An order abridging the time for service of the Notice of Motion and the Motion Record herein and the Fifth Report of Ernst & Young Inc. dated May 30, 2002 (the "Monitor's Fifth Report") in its capacity as the Court-appointed Monitor of the Applicant (the "Monitor"), and dispensing with further service thereof;

- (b) An order accepting the filing of a plan of compromise or arrangement of the Applicant addressed to its Creditors, as may be amended from time to time (the "Plan"), and the accompanying Management Proxy Circular and Disclosure Statement (the "Disclosure Statement");
- (c) An order authorizing and directing the Applicant to convene meetings of its Creditors entitled to consider and vote on the Plan;
- (d) An order approving the actions of the Monitor, as described in the Monitor's Fifth Report;
- (e) An order authorizing the Applicant to use, as part of the funds to be distributed to Creditors pursuant to the Plan upon the Plan being approved by the Court, the \$200,000 that the Court directed the Applicant to set aside in a separate bank account (the "Fund") when the Asset Purchase Agreement dated March 1, 2002 between Cognicase Inc. and the Applicant was approved pursuant to the Order of the Honourable Mr. Justice Ground dated March 18, 2002; and
- (f) Such further and other relief as the Applicant may request and this Honourable Court shall deem just, was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Plan, the Disclosure Statement, the Monitor's Fifth Report, and the affidavit of Steven Schofield, sworn May 30, 2002,

filed, and on hearing submissions of counsel for the Applicant and counsel for the Monitor:

1. **THIS COURT ORDERS** that, for the purposes of this order, all capitalized terms which are not otherwise defined herein shall have the meanings given to them in the Plan.

SERVICE

2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record herein and the Monitor's Fifth Report is hereby abridged, and that the Motion is properly returnable today, and service on any interested party other than those parties served is hereby dispensed with.

THE PLAN

3. **THIS COURT ORDERS** that the Plan and the Disclosure Statement, substantially in the form attached as Schedule "A" hereto, is hereby accepted for filing, and that the Applicant shall seek approval of the Plan in the manner set forth herein.

4. **THIS COURT ORDERS** that the Applicant is hereby authorized to modify, amend or supplement the Plan by way of a supplementary plan or plans of compromise or arrangement or both filed with the Court at any time or from time to time prior to the Meetings Date or at a Meeting, in which case any such supplementary plan or plans of compromise or arrangement or both shall, for all purposes, be and be deemed to be a part of and incorporated into the Plan. The Applicant may give notice of a proposed material amendment or supplement to the Plan as may be directed by the Court on or prior to the Meetings by notice in writing which, in case of notice given prior to the Meetings, shall be sufficient if mailed to Affected Creditors seven (7) business days prior to the date of the Meetings. At and

after such Meetings (and both prior to and subsequent to the Sanction Order), the Applicant may at any time and from time to time vary, amend, modify or supplement the Plan without the need for obtaining an order of the Court or providing notice to the Affected Creditors provided such variation, amendment, modification or supplement is of a minor, immaterial or technical nature that would not be materially prejudicial to the interests of any of the Affected Creditors under the Plan or the Sanction Order and is necessary in order to give effect to the substance of the Plan or the Sanction Order.

THE MEETINGS

5. **THIS COURT ORDERS** that the Applicant is hereby authorized to call, hold and conduct a meeting of all Affected Unsecured Creditors for the purpose of considering, and if deemed advisable, passing, with or without variation, a resolution to approve the Plan.

6. **THIS COURT ORDERS** that the Applicant is hereby authorized to call, hold and conduct a meeting of all Affected Secured Creditors that are entitled to vote on the Plan for the purpose of considering, and if deemed advisable, passing, with or without variation, a resolution to approve the Plan.

7. **THIS COURT ORDERS** that the Meetings shall be held at such time and place as set out in the Disclosure Statement. The Applicant is hereby authorized to adjourn either or both of the Meetings to such time and place as it deems necessary or desirable.

8. **THIS COURT ORDERS** that an officer of the Monitor shall preside as the Chair of the Meetings and shall decide all matters relating to the rules and procedures at, and the conduct of, the Meetings.

9. **THIS COURT ORDERS** that, for purposes of voting to approve the Plan, the Classes and the amount each Creditor is entitled to vote at a Meeting shall be as established in the Plan and in the order of the Honourable ~~Mr.~~ Justice Wilson dated April 12, 2002, approving the Claims Procedure (the "Claims Procedure Order").

10. **THIS COURT ORDERS** that the Chair of the Meetings be and is hereby authorized to accept and rely upon proxies substantially in the form attached as Schedule "B" hereto (the "Form of Proxy"), or such other form as is acceptable to the Chair of the Meetings.

11. **THIS COURT ORDERS** that the quorum required at each Meeting shall be any one Creditor of the applicable Class present in person or by proxy.

12. **THIS COURT ORDERS** that if there are no Creditors in a particular Class present and voting in person or by proxy at the applicable Meeting, then that Class shall be deemed to have approved the Plan.

13. **THIS COURT ORDERS** that the Affected Secured Creditors shall be entitled to vote on the resolution to approve the Plan by way of written resolution.

14. **THIS COURT ORDERS** that the Chair of each Meeting shall direct a vote with respect to a resolution to approve the Plan and containing such other related provisions as the Applicant may consider appropriate.

15. **THIS COURT ORDERS** that, following the vote at each Meeting, the Chair of the Meeting shall tally the vote and determine whether the Plan has been accepted by the Required Majority and whether any votes, for and against the Plan, that are marked as being subject to appeal would affect such result.

16. **THIS COURT ORDERS** that the Chair of the Meetings shall report to this Court by no later than twelve business days after the date of the last Meeting with respect to the results of the votes, including:

- (a) whether the Plan has been accepted by the Required Majority of each Class; and
 - (b) whether the votes, for or against the Plan, that are marked as being subject to appeal, if any, would affect the result of the vote of either Class.
17. **THIS COURT ORDERS** that the only persons entitled to attend a Meeting are the Creditors of the Class, including proxy holders and their legal counsel, the Monitor and its legal counsel and the officers, directors and legal counsel of the Applicant. Any other person may be admitted to a Meeting on invitation of the Chair of the Meeting.
18. **THIS COURT ORDERS** that a Creditor shall be entitled to attend and vote, in person or by proxy, at a Meeting in accordance with the terms of this order, the Claim Procedure Order and the Plan.
19. **THIS COURT ORDERS** that any vote conducted at a Meeting shall be binding on all Creditors of the Class to which the Meeting relates.

THE ACTIONS OF THE MONITOR

20. **THIS COURT ORDERS** that the actions of the Monitor, as described in the Monitor's Fifth Report, are hereby approved.
21. **THIS COURT ORDERS** that the Fifth Report of the Monitor be and is hereby deemed to be the Report required by subsection 11.7 (3) (b) of the CCAA.

THE FUND

22. **THIS COURT ORDERS** that the Applicant is hereby authorized to use, as part of the funds to be distributed to Creditors pursuant to the Plan, the Fund approved pursuant to the Order of the Honourable Justice Ground dated March 18,

2002 upon the Sanction Order being granted by the Court and in accordance with the procedure set out in the Plan.

SERVICE OF NOTICE

23. **THIS COURT ORDERS** that a copy of this Order and the Plan and Disclosure Statement, which shall include a copy of the Notices of Meeting, substantially in the form attached hereto as Schedule "A", shall be sent to all Affected Creditors by no later than 11:59 p.m. (Toronto time) on June 7, 2002, or, in the case of an Affected Creditor with a Subsequent Claim which arises after the date hereof, as soon as practicable after the Applicant has knowledge of the Subsequent Claim, by prepaid ordinary mail to the address appearing on each Creditor's Proof of Claim.



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

JUN 06 2002

PER/PAR:



SCHEDULE "A"

Plan and Disclosure Statement, including the Notices of Meeting.

SCHEDULE "B"

Form of Proxy.

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C. 1985, c.C-36**

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**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MICROFORUM INC.**

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

MEETINGS ORDER

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