

Clerk's Stamp:

COURT FILE NUMBER BK NO: 25-1642764  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
IN BANKRUPTCY AND INSOLVENCY  
JUDICIAL CENTRE CALGARY  
PROCEEDING IN THE MATTER OF THE BANKRUPTCY OF POYNT CORPORATION  
DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

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**NOTICE TO RESPONDENT**

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the master/judge.

To do so, you must be in Court when the application is heard as shown below:

DATE	<u>July 30, 2012</u>
TIME	<u>3:00 p.m.</u>
WHERE	<u>Court House, Calgary, Alberta</u>
BEFORE WHOM	<u>The Honourable Justice Jeffrey</u>

Go to the end of this document to see what else you can do and when you must do it.

**Remedy claimed or sought:**

1. An Order abridging the time for service of this Application and the supporting materials, as necessary, and deeming service thereof to be good and sufficient.

## STAY OF PROCEEDINGS

2. An Order pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 (the "**BIA**") extending the stay of proceedings under the BIA to August 12, 2012.

## ADMINISTRATION CHARGE

3. An Order pursuant to section 64.2 of the BIA declaring that the Trustee, Hardie and Kelly Inc. (the "**NOI Trustee**"), counsel to the NOI Trustee and counsel to the Applicant shall be paid their reasonable fees and disbursements, and declaring that the NOI Trustee, counsel to the NOI Trustee and the Applicant's counsel, as security for the professional fees and disbursements incurred both before and after the granting of the requested Order, shall be entitled to the benefits of and are hereby granted a first priority charge (the "**Administration Charge**") on all present and after-acquired property of the Applicant (the "**Property**"), which charge shall not exceed an aggregate amount of \$200,000.00.

## DIP CHARGE

4. An Order pursuant to section 50.6 of the BIA declaring that the Applicant shall be authorized and empowered to obtain and borrow under a credit facility from BlueCrest Re-Insurance Company Ltd. (the "**DIP Lender**") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$300,000.00 unless permitted by further order of this Court.
5. An Order pursuant to section 50.6(3) of the BIA declaring that the DIP Lender shall be entitled to the benefits of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property in the maximum amount of \$300,000.00 to secure all obligations under the DIP Loan ranking in priority to all claims except the Administration Charge and the security held by Intertainment Media Inc. (the "**Intertainment Security**").

## RELATIVE PRIORITIES

6. An Order declaring that the relative priorities of the charges granted hereunder and security interests of the Applicant's creditors shall be as follows:
  - (a) first, the Administration Charge;
  - (b) second, the Intertainment Security;
  - (c) third, the DIP Lender's Charge; and

- (d) fourth, the security interests held by other secured creditors of the Applicant, if any.
7. An Order granting such further and other relief as counsel may advise and this Honourable Court deems appropriate in the circumstances.

**Grounds for making this application:**

8. The Applicant is an insolvent corporation which filed a Notice of Intention on July 5, 2012.
9. The Applicant requires an extension of the stay of proceedings in order to continue with its financial restructuring and a proposal to its creditors.
10. The extension of the stay of proceedings is appropriate because:
- (a) the Applicant has acted, and is acting, in good faith and with due diligence;
  - (b) the Applicant will likely be able to make a viable proposal if the extension it is applying for is granted; and
  - (c) no creditor will be materially prejudiced if the extension the Applicant is applying for is granted.
11. In order to ensure the participation of professionals in the restructuring, an Administration Charge is required to protect and secure the fees and disbursements of the said professionals.
12. The DIP Lender is prepared to advance funds to the Applicant to ensure that it has the necessary working and operating capital to continue its restructuring efforts, provided that a charge against the assets of the Applicant is provided to protect the interests of the DIP Lender.
13. Such further and other grounds as counsel may advise and this Honourable Court deem fit.

**Material or evidence to be relied on:**

14. Affidavit of Andrew Osis, sworn July 26, 2012, filed.
15. The First Report of the Proposal Trustee, to be filed.
16. Such further and other materials as counsel may advise and this Honourable Court deem fit.

**Applicable Rules:**

17. N/A

**Applicable Acts and Regulations:**

18. *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, specifically ss. 50.4(9), 50.6 and 64.2.

**Any irregularity complained of or objection relied on:**

19. N/A

**How the application is proposed to be heard or considered:**

20. This Application is proposed to be heard in Justice Chambers before the Honourable Commercial Court Justice.

**WARNING**

If you do not come to Court either in person or by your lawyer, the Court may give the Applicant what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the Applicant.