

Message

From: Glassman, Newton [nglassman@catcapital.com]
Sent: 5/7/2014 3:09:16 PM
To: De Alba, Gabriel [gdealba@catcapital.com]
CC: Riley, Jim [jriley@catcapital.com]; Michaud, Zach [zmichaud@catcapital.com]; Moyse, Brandon [BMoyse@catcapital.com]; Levin_Jonathan [jlevin@fasken.com]; 'Bruce@dfhpublicaffairs.com' [Bruce@dfhpublicaffairs.com]
Subject: Re: WC Business plan & MP

Govt has told us today via bruce d that they will not give us in writing the right to sell spectrum in 5 yrs. My response is that such takes 'option 1' off the table and we would only be willing to build a 'wholesale/leasing business' specifically w incumbents as the customers. They know this. We r going to ottawa early next wk. They also asked for our help to understand who really is controlling v-com's decision making and to get our input prior to next wk's mobility mediation.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: De Alba, Gabriel
Sent: Wednesday, May 7, 2014 2:35 PM
To: Glassman, Newton
Cc: Riley, Jim; Michaud, Zach; Moyse, Brandon; Levin_Jonathan; 'Bruce@dfhpublicaffairs.com'
Subject: Re: WC Business plan & MP

The vendor financing is in the default notice period. We can negotiate to keep it but I suspect one if the reasons why the vendors did not roll over (for a large equipment buyer such as Wind) or are playing hardball is because without clarity on to who, how and when the spectrum can be sold their collateral package is very weak. They are probably watching Mobilicity and be unwilling to experience a similar mess....

This can be positioned to our advantage with the government to get the required clarity on the ability to sell spectrum and/ or monetize the investment. The following type of argument can be presented to the government: "we are the Canadian solution, we will focus in building the standalone 4th player,but even from a debt financing / capital markets perspective no lender will provide funding unless there is clarity on how the collateral and ultimately the business can be sold and when..." At the minimum it adds to the pile if reasons why the government needs to give us clarity..

On May 6, 2014, at 4:04 PM, "Glassman, Newton" <nglassman@catcapital.com> wrote:
Technically not \$300mm in cash (although it could be)---\$300mm in total value and we get to choose btwn replacing current vendor financing or re-negotiating w them etc.....

Also, I think due diligence can be confined primarily to spectrum ownership and opinions thereon etc since we are buying way below spectrum value. Need a condition of govt'al approval....

From: De Alba, Gabriel
Sent: May-06-14 3:25 PM
To: Glassman, Newton; Riley, Jim; Michaud, Zach; Moyse, Brandon; Levin_Jonathan
Subject: Fwd: WC Business plan & MP

Deal is starting to shape up and he followed with proposal!! They are moving on the terms I proposed this am.

Begin forwarded message:

From: "francois.turgeon@ubs.com" <francois.turgeon@ubs.com>
To: "De Alba, Gabriel" <gdealba@catcapital.com>
Cc: "francois.turgeon@ubs.com" <francois.turgeon@ubs.com>
Subject: WC Business plan & MP

Gabriel,

Please find attached Wind Canada's latest management presentation and business plan.

As discussed this morning, can you get back to me with a confirmation (email or letter) that you are prepared to explore the acquisition of the whole of Wind Canada under the following conditions:

- Cash transaction of \$300 million on an enterprise value basis
- Prepared to sign SPA by May 30th at the latest
- Can you also provide due diligence request and timeline to complete your review

Looking forward to hear back from you and assist you in this process

Regards,

Francois

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