

Message

From: De Alba, Gabriel [gdealba@catcapital.com]
Sent: 8/1/2014 7:04:12 AM
To: Babcock, Ben [Ben.Babcock@morganstanley.com]; Gabriel (gdealba@aol.com) [gdealba@aol.com]
Subject: Re: working capital per GdA and BB discussion

Did the SPA said negative 8. Is that the negotiating "cushion"?

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Babcock, Ben
Sent: Thursday, July 31, 2014 11:52 AM
To: De Alba, Gabriel; Gabriel (gdealba@aol.com)
Cc: Jon Levin (jlevin@fasken.com)
Subject: working capital per GdA and BB discussion

1. Amend the following provisions (AMENDMENTS IN CAPS) related to covenants of Seller on Conduct of Business Prior To Closing:

6.1(b)(ii) to say "declare or pay any dividends (including stock dividends), or make any other payments or distributions upon any of the capital stock OR IN RESPECT OF RELATED PARTY LIABILITIES of any of the Globalive Entities"

6.1(a)(ii) to say "protect and carry on the Business in the ordinary course on a basis consistent with past practice AND THE ASSUMPTIONS IN THE FINANCIAL FORECAST DATED JULY 30, 2014, INCLUDING IN RESPECT OF CURRENT ASSETS, CURRENT LIABILITIES AND CASH FLOW"

2. Include a new Closing Cash Target of \$5 million (Note: Avg of Oct Nov and Dec +\$2 MM to get to the \$5 MM minimum cash balance management indicated they needed). Closing Cash to include Cash but not Restricted Cash. Adjustment to purchase price based on difference between Closing Cash and Closing Cash Target.

3. Working Capital Target

Current Assets definition to be amended to exclude Cash but shall include Restricted Cash

Current Liabilities amended to ".....shall exclude the amounts owing pursuant to the Vendor Loan Facilities and the VimpelCom Loan Agreements, Due to Related Parties"

Working Capital Target to be set at Negative \$10 million (Note: average of Oct Nov and Dec less \$2 MM above)

Ben Babcock, Managing Director

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