



June 3, 2014

Globalive Wireless Management Corp (Wind Mobile)  
207 Queens Quay West, 7th Floor  
Toronto, ON  
M5J 1A7

Attention: Anthony Lacavera, Chairman and CEO

VimpelCom Ltd  
Claude Debussylaan 88, 1082 MD  
Amsterdam, The Netherlands

Attention: Jo Lunder, Chief Executive Officer and Andrew Davies, Chief Financial Officer

Global Telecom Holding S.A.E.  
2005A Nile City Towers, South Tower  
Corniche El Nile  
Ramlet Beaulac, 11221  
Cairo, Egypt

Attention: Ahmed Abou Doma, Chief Executive Officer

AAL Holdings Corporation  
48 Yonge Street, Suite 1200  
Toronto, ON  
M5G 1E6

Attention: Anthony Lacavera, Chairman

Dear Sirs:

As you know, West Face Capital Inc. (“WFC” or “we”) is a Toronto-based institutional investor with approximately \$3.0 billion assets under management and deep limited partner relationships with substantially greater investment capacity through co-investment structures. We are writing to confirm our continuing interest in entering into a transaction (the “Transaction”) that would result in the acquisition of Globalive Wireless Management Corp. (“Globalive” or the “Company”) by funds (the “West Face Funds”) managed or advised by WFC.

To summarize, our new proposal for the Transaction is as follows: (1) the West Face Funds would provide bridge financing to be funded 14 days from the date of your signing of this letter, allowing you to repay the

Company's existing vendor debt, (2) we would enter into a share purchase agreement contemporaneously with funding this bridge loan for deferred contingent consideration of \$100 million, payable on our obtaining sufficient spectrum within 12 months to support the Company's LTE rollout strategy, and (3) the West Face Funds would be responsible for funding the Company's working capital after funding of the bridge loan. We believe our proposed Transaction structure satisfies your objectives of achieving a quick exit without any further funding commitments, and provides a contingent value payment to you, assuming we are able to establish the pre-conditions for execution of our LTE rollout strategy.

The West Face Funds would use a Canadian acquisition vehicle to acquire the Company, which would not be a "non-Canadian entity" for the purposes of applicable regulatory approvals and, accordingly, we do not anticipate any significant regulatory issues in connection with our proposal. Further, we have substantially completed our due diligence and structuring analysis and anticipate being in a position to fund financing under the Secured Notes (as described herein) and sign the share purchase agreement for the Company within 14 days of your signing this letter.

### **Transaction Structure**

The key components of the Transaction are as follows:

- The West Face Funds would provide \$160 million in first lien debt financing to Globalive by way of senior secured term notes (the "Secured Notes") maturing six months after the date of issuance, the proceeds of which would be used to repay the existing vendor debt. Interest payable on the Secured Notes shall accrue at a rate per annum equal to 15%, payable quarterly in arrears, provided that the Company may elect to issue Secured Notes to the West Face Funds in a principal amount equal to all or any portion of any such quarterly interest payments. The Secured Notes will have a maturity value, and will be redeemable at any time prior to maturity, at 110% of par, together with all accrued interest;<sup>1</sup>
- Concurrently with the issuance of the Secured Notes, the West Face Funds would enter into an acquisition agreement with Globalive and its shareholders to acquire 100% of the shares, as well as all options and other rights to acquire unissued shares, of Globalive in consideration for \$1 and the issuance of the VimpelCom Note described in the next bullet. Closing of the share purchase would be subject only to receipt of required regulatory approvals;
- Globalive would issue a \$100 million non-interest bearing unsecured note (the "VimpelCom Note") to VimpelCom in repayment of VimpelCom's existing non-revolving term loan to Globalive (or, at WFC's discretion and in order to structure the loan as tax efficiently as possible, amending the terms of VimpelCom's existing non-revolving term loan to Globalive). The repayment of the VimpelCom Note would be fully postponed to the repayment of the principal and accrued interest under the Secured Notes, with the VimpelCom Note repayable at 100% of par 30 days following the occurrence of either of the following circumstances: (i) the liquidation, winding-up or sale of all or substantially all of the assets of Globalive (specifically not including the sale of Globalive's AWS1 spectrum block in the Western provinces, which for certainty would not result in a repayment event); or (ii) upon Globalive securing spectrum (minimum 2x5 contiguous AWS band

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<sup>1</sup> The principal amount of the Secured Notes would be increased to the extent of any accrued interest on the vendor financing at the time of closing of the Secured Note financing.

in Ontario, British Columbia and Alberta) on terms acceptable to WFC sufficient to support Globalive's LTE rollout plan. If any such repayment event does not occur within 12 months of the issuance of the VimpelCom Note, it will be immediately extinguished without consideration or further action of the parties; and

- other than the VimpelCom Note described above, all shareholder loans would be cancelled, capitalized, acquired by WFC, held by a subsidiary of Globalive, or otherwise dealt with, with the result that Globalive would, following the transaction, have no indebtedness other than normal course trade payables and indebtedness owed to the West Face Funds or arranged by WFC.

We are exploring structures that will best preserve Globalive's existing tax pools and we expect all parties to cooperate prior to signing the definitive agreements for the Transaction in structuring the Transaction to accomplish this objective.

### **Financing and Closing**

Funding for the Secured Note financing will be provided by funds managed or advised by WFC and no external financing will be required. Accordingly, neither the closing of the Secured Note financing nor the closing of the acquisition will be conditional on obtaining financing.

We expect the Secured Note financing and signing of the share purchase agreement would close in approximately 14 days from the date of your execution of this letter. Closing of the share purchase would occur as soon as possible following receipt of regulatory approvals.

### **Confirmatory Due Diligence**

As you are aware, we have conducted extensive due diligence on the Company, and appreciate the cooperation we have received so far from the Company and its advisors in answering our questions. We have completed substantially all of our legal, technical and financial due diligence. However, we have some limited legal diligence matters to follow up on with respect to: corporate organizational matters; tax matters; shareholder and intercompany loans and other debt financing matters; third party material contracts, including tower licence and co-location agreements, and employment agreements. A detailed confirmatory due diligence request list will be sent to you following the signing of this letter detailing our specific outstanding requests. Subject to the timely availability of the documents relevant to those matters and access to personnel to answer our questions, we are highly confident that our remaining confirmatory due diligence can be completed within 14 days from the date of your execution of this letter.

For your information, WFC may wish to have discussions with Industry Canada with respect to the acquisition of Globalive and WFC's future plans for Globalive prior to closing the Secured Note financing.

### **Process and Timing**

We and our legal advisors (Davies Ward Phillips & Vineberg LLP) are prepared to devote the time, resources and personnel necessary to complete our confirmatory due diligence and simultaneously commence negotiation of definitive agreements on an expedited timeframe. In particular, following your execution of this letter, we will instruct our counsel to prepare definitive documents for the Secured Note financing and VimpelCom Note, as well as a share purchase agreement and the other definitive documents necessary to complete the Transaction, and will provide you with drafts thereof as soon as possible.

### **Investment Committee Approval**

We have obtained our Investment Committee approval to make this proposal and implement the Transaction as set out herein. There are no additional internal or corporate approvals required for WFC to complete the Transaction.

### **Exclusivity**

For the 14-day period (subject to the extension described below) following your execution of this letter (the “Exclusivity Period”), neither Globalive nor any of its subsidiaries, affiliates or direct or indirect shareholders (collectively, the “Globalive Parties”) or any of their respective directors, employees, shareholders, advisors, accountants and other agents and representatives (“Representatives”) shall solicit, encourage, discuss, negotiate or entertain any proposals from or provide financial, operating or any other non-public information to, any party other than WFC with respect to the provision of debt or equity financing to Globalive, the sale to or purchase by any party of any securities or assets of Globalive (other than any sale of assets made in the ordinary course of business) or any other transaction that would preclude or be inconsistent with the Transaction, whether directly or indirectly, through a sale of assets, shares or other securities, merger, amalgamation, consolidation or other transaction. The Globalive Parties and their respective Representatives shall immediately cease and terminate any existing discussions, conversations, negotiations and other communications with any persons with respect to any of the foregoing, and shall notify WFC if there is any contact between a Globalive Party and any person regarding any such offer, proposal or inquiry. In the event closing of the Secured Note financing has not occurred prior to expiry of the original Exclusivity Period, WFC may in its sole discretion extend the Exclusivity Period for a further 14-day period by giving written notice to the Globalive Parties.

During the Exclusivity Period, the Company will carry on business and its operations in the ordinary course and the Globalive Parties shall in good faith use all reasonable commercial efforts to preserve the goodwill and value of the business of the Company and shall not take any steps or do anything that would adversely affect the Company’s business, assets or prospects.

### **Conditions**

The Transaction is subject to execution of definitive agreements in a form and on terms satisfactory to us, including loan documents and an acquisition agreement (with covenants, indemnities, representations and warranties customary for a transaction of this nature) and other closing documents. Closing of the Secured Note financing will also contain customary funding conditions and the following additional conditions:

- satisfactory employment agreements or other arrangements in place with senior management of the Company (including, if applicable, waiver of any change of control payments);
- receipt of any necessary or desirable third party consents on terms satisfactory to us;
- WFC being satisfied that no material adverse change has occurred with respect to the Company;
- waiver of any applicable termination or change of control payments in respect of intercompany or affiliate agreements, including with respect to the Technical Services Agreement with Global

Telecom Holdings S.A.E., the Management and Strategic Consulting Agreement with AAL Corp., and the Consulting Services Agreement with Mojo Consulting Corp.;

- satisfactory continuing arrangements with respect the licensing of the WIND brand name, international roaming services and data sharing, and satisfactory arrangements with respect to transitional services, all on terms acceptable to West Face; and
- the continuation of existing OEM contracts on terms no less favourable than those terms and conditions in place today.

Closing of the share purchase transaction will be subject only to the following conditions:

- the capital structure and existing indebtedness of the Company is addressed in the manner set out under “Valuation and Structure” above; and
- receipt of any necessary or desirable regulatory and governmental approvals and third party consents on terms satisfactory to us.

### **Confidentiality**

We are providing this proposal to you on a confidential basis and, by accepting this letter, you agree that you will not disclose this letter or any of its contents to any other person, except your legal and other professional advisors and shareholders (each of whom shall also be required to keep this letter strictly confidential), and this letter is subject to the terms of the confidentiality agreement dated December 7, 2013 between West Face and certain Globalive Parties.

### **Expenses**

The Company shall pay all costs and expenses incurred by WFC in connection with the Transaction, including all expenses and fees relating to the preparation of this letter, definitive documents, and legal, accounting, business and other due diligence, regardless of whether the Transaction is completed, up to a maximum of \$1,000,000.

### **Nature of Letter**

Except as provided under the headings “Exclusivity”, “Confidentiality”, “Expenses”, “Governing Law” and “Severability” (which shall be binding obligations of the parties), this letter is an expression of our mutual intentions as to the terms upon which we propose to complete the Transaction and is not intended to, and shall not, give rise to any binding legal obligations between WFC and any Globalive Party. Accordingly, no obligation or binding agreement on the part of WFC or any Globalive Party will arise with respect to the Transaction or any other matter (other than the binding obligations created under the headings “Exclusivity”, “Confidentiality”, “Expenses”, “Governing Law” and “Severability”), unless and until definitive Transaction agreements have been executed by WFC and the Globalive Parties.

### **Governing Law**

This letter agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable in that province and the parties irrevocably attorn to the jurisdiction of the Courts of the Province of Ontario with respect to any matter relating to this letter agreement.

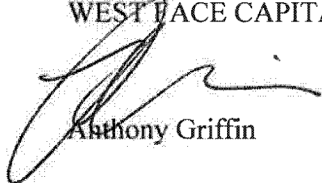
**Severability**

If any provision of this letter agreement is found to be invalid or to violate any applicable law, such invalidity or violation shall not affect the validity of the remainder of this letter agreement.

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Please sign where indicated below and return one copy of the signed letter to us to confirm your agreement. This proposal will remain open for acceptance by you until 5:00 p.m. (Toronto time) on June 6th, 2014.

Yours truly,

WEST FACE CAPITAL INC.



Anthony Griffin

- cc: Carsten Revsbech, *VimpelCom Ltd.*
- Felix Sartovsky, *VimpelCom Ltd.*
- Greg Boland, *West Face Capital Inc.*
- Alex Singh, *West Face Capital Inc.*

Accepted and agreed this \_\_\_\_ day of June, 2014.

**GLOBALIVE WIRELESS  
MANAGEMENT CORP.**

By: \_\_\_\_\_  
Anthony Lacavera  
Chairman and CEO

**VIMPELCOM LTD.**

By: \_\_\_\_\_  
Jo Lunder  
Chief Executive Officer

By: \_\_\_\_\_  
Andrew Davies  
Chief Financial Officer

**GLOBAL TELECOM HOLDING S.A.E.**

By: \_\_\_\_\_  
Ahmed Abou Doma  
Chief Executive Officer

**AAL HOLDINGS CORPORATION**

By: \_\_\_\_\_  
Anthony Lacavera  
Chairman