



District of British Columbia
Division No.: 02- Victoria
Court No.: VIC-S-B-246902
Estate No.: 11-3089419
Victoria Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF CLOUD DIAGNOSTICS CANADA ULC**

NOTICE OF APPLICATION

**Name of applicant: Cloud Diagnostics Canada ULC (the "Applicant") or
("Cloud DX")**

To: The Service List

TAKE NOTICE that an application will be made by the Applicant to the presiding judge or associate judge at the courthouse at the Victoria Law Courts, 850 Burdett Avenue, Victoria, British Columbia V8W 9J2 on June _____, 2024 at ___ a.m./p.m. for the order set out in Part 1 below.

Part 1: ORDER SOUGHT

1. An Order substantially in the form attached hereto as Schedule "A":
 - a) abridging the time for service of this Notice of Application;
 - b) granting a first priority charge in the maximum amount of \$200,000 on the property, assets and undertakings of Cloud DX, to rank ahead in priority to all other charges, claims and encumbrances, (the "Administration Charge") in favour of Crowe MacKay & Company Ltd. (the "Proposal Trustee") and Owen Bird Law Corporation ("Counsel");
 - c) approving an interim lending facility agreement to be entered into by Cloud DX (the "DIP Loan Agreement"), in the form attached to the Proposal Trustee's First Report to the Court and granting a charge (the "DIP Charge") on the assets, undertakings and properties of Cloud DX in favour of the lenders in their capacity as such under the DIP Loan Agreement

(the "DIP Lender"), ranking ahead of all other charges other than the Administration Charge amounts owing to Canada Revenue Agency on account of unpaid source deductions;

- d) extending the time for filing Cloud DX's proposal under Part III, Division I of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the "BIA") to 11:59 p.m. on August 19, 2024; and
 - e) transferring the proceedings herein to the Vancouver division.
2. Cloud DX may also seek such further and other relief as counsel may advise this Honourable Court.

Part 2: FACTUAL BASIS

Parties and Business

1. Cloud DX is an unlimited liability company registered and in good standing under the laws of the Province of British Columbia.
2. On June 5, 2024, Cloud DX filed a notice of intention to file a proposal under section 50.4 of the *Bankruptcy and Insolvency Act* (Canada). Crowe Mackay & Company Ltd. was appointed as the proposal trustee.
3. Cloud DX is a technology company in the regulated field of Remote Patient Monitoring ("RPM"). Cloud DX developed a Connected Health Platform ("CHP"), which is a platform that provides for streamlined and effective RPM services.
4. Using its CHP, Cloud DX makes available medical devices and kits, intuitive mobile apps, smart notification systems and integration to electronic medical record systems (which are software platforms used by doctors and hospitals for care planning, record keeping and billing). Cloud DX supplied devices and apps are used to monitor patients at home whereby biometric data is collected and streamed back to clinical teams to monitor health and provide early warning signs to clinicians of deterioration of the patient's health when the patient is not in a clinical setting.

5. The CHP's smart notification system promptly alerts clinicians if a patient's readings deviate from set parameters, allowing for timely interventions. The CHP's privacy-compliant video telemedicine and chat communication ensures that patients can easily reach out and be connected to their health care providers.
6. RPM systems are known to reduce costs to the healthcare system and improve patient outcomes overall by, amongst other things, reducing the length of hospital stays, reducing emergency department visits and improving patient outcomes overall and streamline clinical workflows. The CHP is particularly tailored for an older, geriatric population.
7. Cloud DX customers include a combination of hospitals, provincial government health authorities (in British Columbia, Alberta, Prince Edward Island and the Yukon), municipal government and academic institutions.
8. Cloud DX USA has operations in the United States with an office in Brooklyn, New York. This operation is smaller with just two (2) active customers, which are primary care clinics.
9. Cloud DX earns revenue three (3) ways:
 - a) the purchase or rental of Connected Health Kits containing a combination of medical devices and a tablet computer by a customer ("Product Revenue");
 - b) when a Connected Health Kit is prescribed by a clinician to a patient and the patient pays a subscription fee ("Subscription Revenue"); and
 - c) work completed by Cloud DX employees on the Connected Health platform whereby new features are programmed into the software as well as the integration of Cloud DX software into hospital electronic medical

records systems, and other custom services including support services ("Professional Services Revenue").

10. Cloud DX began operations on September 15, 2014. From that time until May 31, 2024, on a consolidated basis the company incurred revenues of \$7,112,117 and net operating losses of \$53,686,788.
11. The main operating expenses of Cloud DX are salaries and employee wages, consulting fees for contractors, and professional services fees related to being a public company. These fees include legal fees related to fund raising activities, accounting fees related to annual financial audits, finder's fees and commissions related to fund raising, and general legal and accounting fees. In fiscal year 2023 professional services fees equaled \$1,413,096.
12. The primary reason for these losses has been Cloud DX's inability to generate sufficient revenue or gross profits to cover its operating expenses as the company starts up. Historically Cloud DX's sale and revenue projections were too optimistic and its estimated costs too low.
13. In May, 2023, Cloud DX initiated a cost reduction program whereby some real estate leases were re-negotiated and approximately 20% of staff were laid off to reduce the cost of payroll. Cloud DX also created savings by replacing expensive software with lower cost or open source alternatives.
14. Cloud DX has funded its operating losses through the issuance of common shares, the sale of convertible debentures (both secured and unsecured), and the unsecured debt noted above.
15. In the spring of 2024 Cloud DX recognized that it would require an immediate \$3 million to \$3.3 million in new funds to meet its current operating costs, minimum payments on trade payables in arrears, and inventory costs for open orders. Accordingly, Cloud DX received TSXV approval to offer a private placement of

Units consisting of 1 common share and 1 warrant, priced at \$0.12 per unit, for gross proceeds of up to \$3.3 million. The offering was announced on April 8, 2024, with a closing date of April 28, 2024. The offering was then extended to a closing date of May 31, 2024 and further extended to a closing date of June 30, 2024. Unfortunately, by June 4, 2024 the amount of investment committed to the financing was less than \$500,000, which was insufficient to meet Cloud DX's needs.

16. Although Cloud DX has implemented further cost cutting by reducing staff, and has received short-term loans from certain secured creditors, further funding is required. Secured creditors noted above indicated that they are unwilling to continue funding Cloud DX without a clear path forward towards either restructuring or selling the business.
17. Accordingly, on June 5, 2024, Cloud DX filed a Notice of Intention to make a Proposal pursuant to the *Bankruptcy and Insolvency Act*.
18. It is Cloud DX's intention to eventually obtain a Court approved sale and investment solicitation process ("SISP") and having a document outlining the procedures for a SISP is expected to be attached to the Proposal Trustee's report to eventually be filed in these proceedings.
19. In the interim, Cloud DX intends to use the interim financing, discussed below, to continue to operate Cloud DX as a going concern and work, with the Proposal Trustee and its counsel, to organize its affairs and prepare a Court application for a SISP.
20. Given the specialized and regulated nature of Cloud DX's business, it is difficult to assess value without a SISP to canvas market value.

Assets

21. Cloud DX's primary asset is its intellectual property, goodwill with customers and its value as a business as a going concern.

22. Over the past six (6) months Cloud DX has had a strong period of acquiring and renewing customer contracts, valuing approximately \$14,000,000, which are set to be deployed over the next three (3) to five (5) years.
23. Cloud DX has regulatory clearances including SOC 2.0 Certification, Health Canada MDEL license and FDA registration. These assets are difficult to acquire and the clearances pose significant barriers to entry to potential competitors with long lead times.
24. Cloud DX has license agreements including software license agreements, and licenses to integrate medical devices on its platform.
25. Cloud DX is in the final stages of completing two (2) integrations into medical records systems including an integration into the Alberta Health Services Electronic Medical Record System (EPIC). This project has been in development for seven (7) months and is set to go online in July, 2024.
26. Due to the nature of the assets and the business, the liquidation value of Cloud DX is minimal. However, there is significant potential value for Cloud DX to continue operating as a going concern post-restructuring.
27. Upon a successful restructuring, Cloud DX may be cash flow positive in 2025. These restructuring proceedings will allow Cloud DX to maximize value, maintain continuity for employees, health authorities and patients and allow Cloud DX to ultimately achieve its full potential.

Liabilities

Secured Creditors

28. Cloud DX has seventy-two (72) debenture holders owed approximately \$9,441,999 in principal and \$1,944,000 in interest. Cloud DX, Inc. and Cloud DX USA are also debtors under this obligation.

29. RBC Bank is secured by a \$60,000 GIC against two (2) corporate credit cards, with balances of \$31,579 CAD and \$25,142 USD.

Government Creditors

30. Cloud DX owes approximately \$1,247,866 to Canada Revenue Agency for unremitted payroll deductions and approximately \$92,500 to the Ontario Ministry of Finance for unremitted Employer Health Tax.

Unsecured Creditors

31. Cloud DX owes approximately \$4,022,000 to unsecured debenture holders, \$1,865,500 to various suppliers and service providers and \$84,375 to the COO in unpaid bonuses.

Contingent Claims

32. A private placement of units was announced on April 8, 2024, extended to May 27, 2024, and is now suspended due to Cloud DX's filing a notice of intention to make a proposal.
33. As a result of that announcement, investors had advanced Cloud DX funds upon signing a subscription agreement.
34. Cloud DX anticipates contingent claims arising from this.

Administration Charge

35. Cloud DX seeks a charge on its property assets and undertakings in the maximum amount of \$75,000.00 (the "Administration Charge") to secure the fees of Cloud DX's legal counsel, Owen Bird Law Corporation ("Company's Counsel"), the Proposal Trustee and the Proposal Trustee's legal counsel so that Cloud DX can have the benefit of their services during the insolvency proceedings herein.
36. It is critical to the success of these proceedings and the proposal to have the Administration Charge in place and to ensure that the Proposal Trustee and

Company's Counsel are protected with respect to their fees and disbursements. The professionals that are the proposed beneficiaries of the Administration Charge have contributed, and continue to contribute, to these proceedings and the restructuring of Cloud DX. Further, the joint efforts of the Proposal Trustee and Company's Counsel are necessary to facilitate a better overall result.

37. Cloud DX believes that the current amount sought for an Administration Charge is reasonable given the limited notice period which can be given to its creditors.
38. Cloud DX has worked with the Proposal Trustee and Company's Counsel to determine the appropriate amount of the Administration Charge. The proposed amount is reasonable in the current circumstances. Cloud DX anticipates applying for a higher Administration Charge on reasonable notice to creditors in an amount which is appropriate given the limited funds available to Cloud DX and the complexity of Cloud DX's business and of these proceedings.

Interim Financing and DIP Charge

39. Cloud DX requires interim financing to continue operating through these proceedings and to advance an eventual sales process, with a view to maintaining going concern value and formulating and presenting a proposal to Cloud DX's creditors. Funding is required to pay Cloud DX's employees, suppliers and other obligations including restructuring costs and professional fees in these proceedings.
40. In consultation with the Proposal Trustee, Cloud DX is preparing a cash flow statement to be filed by Cloud DX pursuant to s.50.4(2)(a) of the BIA. This statement will be attached to a report of the Proposal Trustee and filed in these proceedings, demonstrating that Cloud DX requires funding for its operations and expenses.
41. Approximately \$120,000 is intended to be advanced to Cloud DX and used for

payroll and costs to service customers as short term financing.

42. The key terms of the DIP loan will include:
 - a) 25% interest;
 - b) \$120,000; and
 - c) a first charge over all creditors other than CRA.
43. Given the intangible and specialized nature of Cloud DX's business and assets, its greatest value is as a going concern, and the best option to achieve value for stakeholders (including creditors and employees) is to allow Cloud DX to eventually advance a sales process in these proceedings. In order to do so, Cloud DX requires the DIP loan to meet its obligations and maintain value.
44. Cloud DX has communicated with the individuals who comprise its largest secured creditors, namely Brad Miller, Konstantine Othmer, Constantine Zachos, Gaurav Puri, and Karl Tourville and they are supportive of these proceedings.
45. Cloud DX anticipates making a further application for a larger DIP Charge on reasonable notice to its creditors.

Extension of Stay of Proceedings

46. Cloud DX anticipates that the SISP process will require more than 30 days to complete, and thus more time than is granted to file a proposal than is granted by section 50.4(8), and seeks to take the opportunity to now seek an extension of a further 45 days, as provided by section 50.4(9) of the BIA.

Transfer of proceedings to Vancouver

47. Cloud DX seeks under section 187(7) of the BIA for an order transferring this proceeding for all purposes to the Vancouver division.
48. Although the certificate of filing herein was filed in Victoria, Cloud DX carries on business in Vancouver, and there are greater connections to Vancouver, including the residency of the CEO and of counsel.

Part 3: LEGAL BASIS

1. Cloud DX relies upon:
 - a) BIA, Part III Division I;
 - b) *Bankruptcy and Insolvency Rules, C.R.C., c. 368, Rules 11 – 13;*
 - c) *Supreme Court Civil Rules, B.C. Reg. 168/2009, as amended, Rule 8-5;*
 - d) the inherent jurisdiction of this Honourable Court; and
 - e) such further and other legal basis as counsel may advise and this Honourable Court may allow.

Abridged Service

2. Pursuant to Rule 8-5 of the *Supreme Court Civil Rules*, the court may order that an application be heard on short notice, thereby abridging the time for service of the application.

Supreme Court Civil Rules, Rule 8-5.

3. Cloud DX needs the certainty of being able to maintain stable operations while the restructuring process is underway, and requires the charges sought on an expedited basis in order to satisfy employees and suppliers.

Administration Charge and DIP Charge

4. Section 64.2 of the BIA authorizes the Court to grant a priority charge in respect of the Proposal Trustee, its counsel, and counsel for Cloud DX.
5. Section 50.6 of the BIA authorizes the Court to approve interim financing and order a priority charge as security for amounts advanced to a debtor in respect of the financing.
6. The approval by the court of an administration charge and DIP charge is a matter of discretion and is fact dependent: *Athabasca Workforce Solutions Inc v*

Greenfire Oil & Gas Ltd., 2021 ABCA 66, para. 19. Factors will include the risks inherent in the circumstances, relative prejudice and options available for further financing. The benefits of a restructuring relative to a bankruptcy are also relevant.

7. In this case, the order sought are for reasonable amounts. The prejudice to creditors of the orders sought is minimal. The prejudice to the clients of Cloud DX if it is required to suddenly cease operations is profound. There are no known options for other financing immediately available. On a bankruptcy, the value to creditors will be minimal, whereas there is a reasonable prospect of recovery if there is a successful restructuring.

Extension of Period for Filing Proposal

8. Section 50.4(9) of the BIA authorizes the Court to grant an extension of time for the debtor to file a proposal, up to 45 days.
9. In the circumstances, it is unquestionably the case that Cloud DX will require more than 30 days in order to file a proposal or otherwise restructure.
10. The evidence put forward by Cloud DX herein indicates that it has acted and will continue to act with due diligence, that it will be more likely to be able to make a viable proposal or otherwise restructure for the benefit of its creditors if an extension were granted, and that no creditor will be prejudiced if the extension being applied for were granted.
11. It is reasonable in the circumstances, and will save the cost of a further application if an extension were granted as part of the present application.

Transfer of proceedings

12. Section 187(7) of the BIA provides that a court may order the transfer of proceedings where the affairs of the company can be more economically administered in another bankruptcy division.

Sarra, Houlden & Morawetz,
2023 Annotated Bankruptcy and Insolvency Act, p. 1027 (Thomson Reuters)

Part 4: MATERIAL TO BE RELIED ON

1. At the hearing of this Application, the applicant will rely on:
 - a) Affidavit #1 of R. Kaul, sworn June 7, 2024;
 - b) The First Report of the Proposal Trustee, filed June 7, 2024;
 - c) Affidavit #1 of Kim MacDonald, sworn June ~~7~~¹⁰, 2024; and
 - d) such further and other materials as counsel may advise and this Honourable Court may allow.

The applicant estimates that the application will take 10 minutes.


This matter is not within the jurisdiction of an associate judge.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- a) file an application response in Form 33,
- b) file the original of every affidavit, and of every other document, that
 - i) you intend to refer to at the hearing of this application, and
 - ii) has not already been filed in the proceedings, and
- c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - i) a copy of the filed application response;
 - ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Date: _____

Jun 10, 2024



Signature of lawyer for applicant
Jonathan L. Williams

THIS NOTICE OF APPLICATION is prepared and delivered by Jonathan L. Williams of the firm Owen Bird Law Corporation, counsel for Cloud Diagnostics Canada ULC, whose place

place of business and address for delivery is 733 Seymour St #2900, Vancouver, BC V6B 0S6, Vancouver, British Columbia, Telephone: (604) 691-7562.

Schedule "A"

District of British Columbia
Division No.: 02-Victoria
Court No.: VIC-S-B-246902
Estate No.: 11-3089419
Victoria Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF CLOUD DIAGNOSTICS CANADA ULC

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE

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/JUN/2024

THE APPLICATION of Cloud Diagnostics Canada ULC ("Cloud DX"), coming on for hearing at Victoria, British Columbia on the ____ day of June, 2024, AND ON HEARING Jonathan L. Williams, counsel for Cloud DX, and those other counsel listed in Schedule "A" hereto; AND UPON READING the material filed AND PURSUANT TO the Bankruptcy and Insolvency Act, R.S.C. 1985 c. B-3 as amended (the "BIA") and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS THAT:

Service

1. The time for service of the Notice of Application and materials referred to herein be and is hereby abridged and the Notice of Application is properly returnable today.

Extension of Period or Filing Proposal

2. The time for filing a proposal with the Official Receiver under Part III of Division I of the Bankruptcy and Insolvency Act (the "BIA") be and is hereby extended to 11:59 p.m. on August 19, 2024.

Administration Charge

3. For the fees incurred in connection with these proceedings, including those incurred prior to commencement of these proceedings, Crowe MacKay & Company Ltd. (the "Proposal Trustee") and Owen Bird Law Corporation shall be entitled to the benefit of, and are hereby granted, a charge (the "Administration Charge") on all current and future assets, undertakings and properties of Cloud DX, of every nature and kind whatsoever, and wherever situated including all proceeds thereof (collectively, the "Charged Property"), which Administration Charge shall not exceed an aggregate amount of \$200,000.00, as security for their professional fees and disbursements incurred at their standard rates and charges, both before and after making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraph 10 below.

Interim Financing Charge

4. Cloud DX is authorized and empowered to borrow under an interim financing facility agreement dated for reference June 7, 2024 (the "DIP Loan Agreement") between Cloud DX, as borrower, and Brad Miller, Michele Middlemore, Guarav Puri and Constatine Zachos, collectively, as lender (in such capacity, the "DIP Lender"). Cloud DX is authorized and empowered to perform its obligations under the DIP Loan Agreement (subject to obtaining such Court and other approvals as may be required in connection with any step or transaction contemplated therein) and to obtain and borrow under the DIP Loan Agreement, provided that borrowing under such credit facility shall not exceed the principal amount of \$120,000.00.

5. Cloud DX is authorized and empowered to execute and deliver such mortgages, charges, hypothecs and security documents and other definitive documents (such documents, together with the DIP Loan Agreement, collectively, the "Definitive Documents"), as are contemplated by the DIP Loan Agreement or as may reasonably be required by the DIP Lender pursuant to the terms thereof, and Cloud DX is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provisions of this Order.
6. The DIP Lender shall be entitled to the benefit of and is granted a charge (the "DIP Charge") on the Charged Property, which DIP Charge shall not secure an obligation that exists before this Order is made. The DIP Charge shall attach to the Charged Property and shall secure all obligations under the Definitive Documents.
7. Notwithstanding any other provisions of this Order, the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Charge or any of the Definitive Agreements.
8. All claims of the DIP Lender pursuant to the Definitive Documents are not claims that may be compromised pursuant to any proposal under the BIA filed by Cloud DX without the consent of the DIP Lender and the DIP Lender shall be treated as unaffected in any proposal filed by Cloud DX under the BIA with respect to any obligations outstanding to the DIP Lender under or in respect of the Definitive Documents.

Validity and Priority of Charges Created by this Order

9. The Administration Charge and the DIP Charge (together, the "Charges") each constitute a mortgage, security interest, assignment by way of security and charge on the Charged Property and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors,

statutory or otherwise (collectively, the "Encumbrances"), in favour of any person, notwithstanding the order of perfection or attachment, except that the DIP Charge shall rank subordinate to the interest of the Canada Revenue Agency ("CRA") on account of unpaid source deductions owing by Cloud DX to CRA.

10. The priorities as among the Charges shall be:
 - First - the Administration Charge, up to the maximum amount of \$75,000.00;
and
 - Second (subject to CRA) - the DIP Charge.
11. Any security documentation evidencing, or the filing, registration or perfection of, the Charges shall not be required, and the Charges shall be effective as against the Charged. Property and shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any failure to file, register or perfect such Charges.
12. The Charges and Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the beneficiaries of the Charges (the "Chargees") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA or any bankruptcy order made pursuant to such application(s); (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (each, an "Agreement") which binds Cloud DX, and notwithstanding any provision to the contrary in any Agreement:

- a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Definitive Documents shall create or deemed to constitute a breach by Cloud DX of any Agreement to which it is a party;
 - b) none of the Chargees shall have any liability to any person entity whatsoever as a result of any breach of any Agreement caused by or resulting from Cloud DX entering into the Definitive Documents, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
 - c) the payments made by Cloud DX pursuant to this Order, the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.
13. The Charges created by this order over leases of real property in Canada shall only be a charge of Cloud DX's interest in such real property leases.

Suppliers

14. Subject to the prior written approval of the Proposal Trustee, Cloud DX is authorized, but not directed, to pay amounts owed to employees and suppliers which were incurred prior to June 6, 2024 where the Proposal Trustee is satisfied payment of such amounts are necessary to ensure the supply of goods or services which are critical to Cloud DX's continued operations.

Transfer of proceedings

15. Pursuant to section 187(7) of the *Bankruptcy and Insolvency Act*, the proceedings herein be transferred for all purposes to the Vancouver bankruptcy division.

Endorsement

16. Endorsement of this Order by counsel appearing on this application, other than counsel for Cloud DX, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of

Party Lawyer for the applicant

BY THE COURT

REGISTRAR

Schedule A – List of Counsel

District of British Columbia
Division No.: 02-Victoria
Court No.: VIC-S-B-246902
Estate No.: 11-3089419
Victoria Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF CLOUD
DIAGNOSTICS CANADA ULC

Owen Bird Law Corporation
PO Box 1, Vancouver Centre II
2900-733 Seymour Street
Vancouver, British Columbia, V6B 0S6
Attention: Jonathan L. Williams