



THE SECURITIES ACT	)	Order No. 7383
	)	
Sections 20(1) and 148(1)	)	September 16, 2016

**GuestLogix Inc.**

**WHEREAS:**

- (A) The securities of GuestLogix Inc. (the "**Filer**") are subject to a cease trade order issued by the Director on April 21, 2016 pursuant to subsection 147.1(1) (the "**Manitoba Cease Trade Order**") of The Securities Act, C.C.S.M. c.50 R.S.M. 1988, c. S50 (as amended) (the "**Act**"), directing that all trading in the securities of the Filer cease until further order by the Director;
- (B) The Filer provides retail and payment technology that enables travel brands to enhance retail strategies at any travel touch point. The Filer and its subsidiaries offer two distinct platforms: the OnBoard Retail Technology Platform (the "**Onboard Business**") and the t-Retail platform (the "**OpenJaw Business**");
- (C) GuestLogix Ireland Limited ("**GL Ireland**") is a wholly owned subsidiary of the Filer and owned all of the shares of OpenJaw Technologies Limited ("**OpenJaw**"). OpenJaw and its subsidiaries provided the OpenJaw Business to their international customers;
- (D) GL Ireland sold substantially all of the assets of the OpenJaw Business for cash consideration on May 6, 2016 (the "**Asset Sale**"). With the proceeds obtained from the Asset Sale, the Filer provided a cash payment equal to 100% of the amount owing to all of its secured lenders;
- (E) Following the sale of the OpenJaw Business, the remaining business of the Filer is the Onboard Business, which is the business to be acquired by GXI Acquisition Corp. (the "**Sponsor**");
- (F) The Filer seeks to undertake and complete a restructuring transaction in connection with the Onboard Business (the "**Transaction**") pursuant to an agreement between the Filer and the Sponsor dated June 30, 2016, to be effectuated in connection with a plan of compromise and arrangement in respect of the Filer (the "**Plan**") pursuant to the Companies' Creditors Arrangement Act (Canada) (the "**CCAA**");
- (G) The Filer has applied to The Manitoba Securities Commission (the "**Commission**") for an order pursuant to subsections 20(1) and 148(1) of the Act to partially revoke the Manitoba Cease Trade Order to enable the Filer to undertake and complete the following trades, steps and actions (collectively, the "**Proposed Transaction**") in connection with the Plan and the Transaction:
1. The conclusion of a transaction agreement (the "**Transaction Agreement**") between the Filer and the Sponsor;
  2. Under the Transaction Agreement, the subscription by the Sponsor for newly created common shares in the capital of the Filer (the "**New Common Shares**") for cash



consideration and the issuance of the New Common Shares to the Sponsor in consideration of such payment under section 2.11(a) of National Instrument 45-106 Prospectus Exemptions;

3. The consolidation of the issued and outstanding common shares (the "**Common Shares**") in the capital of the Filer (including the New Common Shares) on the basis of a consolidation ratio pursuant to the Plan and the cancellation of any fractional Common Shares immediately following the consolidation without any liability, payment or other compensation or any other right in respect thereof (the "**Common Share Consolidation**");
4. The compromise and extinguishment of all claims of the Filer's unsecured creditors, including holders of the Filer's Convertible Debentures (as defined below), in exchange for a proportionate distribution of the remainder of the cash pool available under the Plan, calculated with reference to the amounts of their respective unsecured claims; and
5. The cancellation of all other securities of the Filer, other than the New Common Shares remaining after the Common Share Consolidation, for no consideration and without any vote or approval by the holders of such equity securities. As a result, upon implementation of the Plan, the Filer will be a wholly-owned subsidiary of the Sponsor.

(H) The Filer has represented to the Commission that:

1. The Filer was incorporated under the Business Corporations Act (Ontario) on August 1, 2007.
2. The Filer's head office and registered office is located at 111 Peter Street, Suite 302, Toronto, Ontario M5V 2H1.
3. The Filer is a reporting issuer in each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador (collectively, the "**Reporting Jurisdictions**").
4. The authorized share capital of the Filer consists of an unlimited number of Common Shares. As at July 31, 2016, there were 134,896,721 Common Shares issued and outstanding. The Filer also has outstanding, as at July 31, 2016, \$20,000,000 principal amount of 7% extendible convertible unsecured subordinated debentures, which are convertible into Common Shares at a conversion price of \$1.35 per Common Share (the "**Convertible Debentures**"). The Filer has no other outstanding securities (including debt securities).
5. In light of difficult financial circumstances, the Filer was unable to obtain additional financing to repay amounts owing on its loan obligations and there was no reasonable expectation that the Filer's financial condition would improve without a deleveraging of its capital structure. The Filer was, therefore, insolvent and determined that it was in the best interests of the Filer and its stakeholders to file for protection under the CCAA.
6. On February 9, 2016, the Filer was granted protection from its creditors under the CCAA pursuant to an initial order (as amended and restated, the "**Initial Order**")



granted by the Ontario Court of Justice (Commercial List) (the “**Court**”). PricewaterhouseCoopers Inc. was appointed as monitor of the Filer under the CCAA. All proceedings against the Filer were stayed pursuant to the Initial Order, the purpose of which is to allow the Filer time to solicit and implement a Court-approved plan of compromise and arrangement.

7. On February 19, 2016, the Court granted an order (the “**SISP Order**”) approving a sale and investment solicitation process (the “**SISP**”) that solicits interests in and opportunities for a sale of or investment in all or part of the Filer’s assets and business operations. The Asset Sale was approved by the Court as a result of the SISP in accordance with the SISP Order.
8. On March 18, 2016, the Filer’s Common Shares and Convertible Debentures were delisted from trading on the Toronto Stock Exchange (the “**TSX**”) for failure to meet continued listing requirements of the TSX. The securities of the Filer are not listed or quoted on any other exchange or marketplace in Canada or elsewhere.
9. On April 21, 2016, the Manitoba Cease Trade Order was issued due to the failure of the Filer to file its audited annual financial statements and related management’s discussion and analysis for the year ended December 31, 2015.
10. On April 5, 2016, a cease trade order was also issued by the Ontario Securities Commission (the “**Ontario Cease Trade Order**”) due to the failure of the Filer to file its annual information form, audited annual financial statements, related management’s discussion and analysis and certifications for the year ended December 31, 2015. The Filer has applied for and expects to be granted, concurrently with this partial revocation order, a partial revocation of the Ontario Cease Trade Order to permit the Proposed Transaction. Other than the Manitoba Cease Trade Order and the Ontario Cease Trade Order, the Filer is not subject to any other cease trade orders.
11. The Filer had, after a solicitation process in accordance with the SISP Order, entered into the Transaction Agreement with the Sponsor providing for, inter alia, the issuance of the New Common Shares to the Sponsor and the cancellation of the Filer’s existing securities in accordance with the terms and conditions of the Plan. The Common Shares, and other securities in the capital of the Filer (other than the Convertible Debentures), had no value as a result of the financial circumstances of the Filer and the provisions of the CCAA.
12. The Filer wishes to conclude the Transaction Agreement with the Sponsor. The Sponsor will sign an acknowledgement that the Filer is currently subject to the Manitoba Cease Trade Order and Ontario Cease Trade Order.
13. The Sponsor is at arm’s length to the Filer. The Sponsor and its shareholders are not related parties of the Filer and its shareholders.
14. On August 3, 2016, the Court granted a meeting order, inter alia, accepting the Plan for filing and scheduling a meeting of the unsecured creditors of the Filer to consider and vote on the Plan (the “**Meeting**”).
15. On September 2, 2016, the Meeting was held and the unsecured creditors voted unanimously in favour of the Plan. The Filer obtained an Order of the Court sanctioning and approving the Plan on September 12, 2016 (the “**Sanction Order**”).



16. Immediately following the implementation of the Plan, the Sponsor will be the only holder of the New Common Shares of the Filer and the Filer will not have any securities other than the New Common Shares remaining following the completion of the Common Share Consolidation. Accordingly, the Filer will have fewer than 15 security holders in each of the jurisdictions in Canada and fewer than 51 security holders in total worldwide.
  17. As the Proposed Transaction will involve trades in securities of the Filer, the Proposed Transaction cannot be completed without a variation of the Manitoba Cease Trade Order and the Ontario Cease Trade Order. The completion of the Proposed Transaction is necessary to implement the Plan and complete the Transaction.
  18. The Filer's securities, including the New Common Shares to be issued to the Sponsor under the Proposed Transaction as permitted by this partial revocation order, will remain subject to the Manitoba Cease Trade Order and the Ontario Cease Trade Order until such time as the Manitoba Cease Trade Order and the Ontario Cease Trade Order are fully revoked.
  19. The Filer's SEDAR and SEDI profiles are up to date.
  20. The Filer intends to subsequently apply for an order to cease to be a reporting issuer in all of the Reporting Jurisdictions and a full revocation of the Manitoba Cease Trade Order and the Ontario Cease Trade Order.
- (I) The Commission is of the opinion that it would not be prejudicial to the public interest to grant the order requested.

**IT IS ORDERED:**

1. **THAT**, pursuant to subsections 20(1) and 148(1) of the Act, the Manitoba Cease Trade Order is partially revoked solely to permit trades in securities of the Filer (including, for greater certainty, acts in furtherance of trades in securities of the Filer) that are necessary for and are in connection with the Proposed Transaction, provided that:
  - a) The Court grants the Sanction Order;
  - b) Prior to the completion of the Proposed Transaction, the Sponsor:
    - (i) receives a copy of the Manitoba Cease Trade Order,
    - (ii) receives a copy of this Order, and
    - (iii) receives written notice from the Filer, and provides a written acknowledgement to the Filer, that all of the Filer's securities, including the New Common Shares issued in connection with the Proposed Transaction, will remain subject to the Manitoba Cease Trade Order until it is revoked, and that the granting of this partial revocation Order does not guarantee the issuance of a full revocation in the future;
  - c) The Filer undertakes to make available a copy of the written acknowledgement to staff of the Commission on request; and



THE MANITOBA  
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- d) This Order will terminate on the earlier of:
- (i) the completion of the Proposed Transaction; and
  - (ii) 90 days from the date hereof.

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Director, General Counsel