

Court File No. BK-25-03244564-0031
Estate File No. 31-3244564

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF THE PODCAST EXCHANGE INC,
IN THE CITY OF TORONTO, IN THE PROVINCE OF
ONTARIO

SUPPLEMENTARY MOTION RECORD

August 5, 2025

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**ONTARIO
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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF THE PODCAST EXCHANGE
INC, IN THE CITY OF TORONTO, IN THE PROVINCE OF
ONTARIO

FRESH AS AMENDED NOTICE OF MOTION

THE MOVING PARTY, THE PODCAST EXCHANGE INC. (“**TPX**” or the
“**Company**”), will make a motion to the Court on August 6, 2025, at 12:00 pm or as
soon thereafter as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard

- ☐ In writing under subrule 37.12.1 (1) because it is
- ☐ In writing as an opposed motion under subrule 37.12.1 (4);
- ☐ In person;
- ☐ By telephone conference;
- ☒ By video conference.

at the following location:

at 330 University Avenue, Toronto, Ontario, M5G 1R7

THE MOTION IS FOR:

1. An order, in substantially the form attached at Tab 3 of the Motion Record dated
July 29, 2025 (the “**Motion Record**”):

- (a) validating and abridging the time and manner of service of the Notice of Motion and Motion Record and directing that any further service of the Notice of Motion and Motion Record be dispensed with such that this Motion is properly returnable on the date scheduled for the hearing of this Motion;
- (b) approving a key employee retention plan (the “**KERP**”) for certain individuals that have been identified as crucial to the restructuring efforts of the Company;
- (c) approving a priority charge against the property of TPX (the “**KERP Charge**”) as security for amounts that may become payable under the KERP, up to the maximum amount of \$96,000;
- (d) approving the payment of commissions owing to one of the KERP Participants as of July 7, 2025 but which is not payable until August 15, 2025;
- (e) extending the time for TPX to file a proposal under the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 (the “**BIA**”) to September 22, 2025;
- (f) approving the activities and conduct of the Proposal Trustee as set out in its First Report; and
- (g) such further and other relief as this Court deems just.

THE GROUNDS FOR THE MOTION ARE:

A. Background of this NOI Proceeding

2. TPX is an advertising reseller specializing in podcast advertising. Its head office is located in Toronto, Ontario.
3. TPX creates, manages and places advertisements in podcasts for advertising agencies and media companies.
4. As the Company needed the benefit of the stay of proceedings in order to have time to assess, and if possible, implement, its restructuring options, on July 7, 2025 (the “**Filing Date**”), TPX filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to subsection 50.4(1) of the BIA. TDB Restructuring Limited was appointed the proposal trustee (the “**Proposal Trustee**”) in this NOI proceeding.
5. Since the filing of the NOI, TPX has continued to streamline its costs and carrying on its business while it assesses its potential restructuring alternatives.
6. TPX’s activities since the Filing Date have all been undertaken with a view to maximizing the value of the Company’s business, for the benefit of its stakeholders.
7. Since the Filing Date, TPX has, among other things:
 - (a) stabilized its operations and paid its post-Filing Date payables as they become due;
 - (b) engaged with key stakeholders and responded to inquiries about the restructuring process; and

- (c) began to explore and assess its potential restructuring alternatives, and in this regard has retained financial advisors to assist in a potential restructuring or sale of the business, and has entered into two (2) non-disclosure agreements with two parties who are interested in exploring potential restructuring or sale opportunities with TPX.

B. Relief Sought on the Motion

i. KERP and KERP Charge

8. The KERP was designed and approved by the Company for the purposes of ensuring that the following three key employees of the Company continue their employment with the Company during the restructuring proceedings: the CEO, Managing Director, and Project Manager (collectively, the “**KERP Participants**”). The KERP Participants each perform important management or business functions that are essential to the on-going operations of the business, and they have institutional knowledge and skills that cannot be replaced during the restructuring proceedings. If the KERP is not implemented, there is a material risk that the employees will resign to obtain other employment, which will jeopardize or irreparably hinder the Company’s efforts to effect a restructuring or, if necessary, an orderly wind-down that will preserve value for the Company’s stakeholders.

9. The KERP was negotiated between the former directors of the Company (who all resigned on July 6, 2026, the day before the NOI was filed) and the CEO. The KERP takes into consideration the KERP Participants’ existing compensation packages and the circumstances of this NOI proceeding. The aggregate amount that may become payable under the KERP is approximately \$96,000 in the event that all three of the

KERP Participants remain with the Company within the time periods specified in the KERP. Payment of the amounts that may become payable under the KERP have been provided for in the 13-week cash flow prepared by the Company with the assistance of the Proposal Trustee.

10. TPX is also seeking approval of the KERP Charge on its property in favour of the KERP Participants up to the maximum amount of \$96,000. Each KERP Participant will only obtain the benefit of the KERP Charge up to their respective individual entitlements under the KERP.

11. The KERP Charge would rank in priority to all claims other than: (a) any amounts owing to the Company's professional advisors for services rendered during the Proceedings and the Proposal Trustee regardless of whether such amounts are protected by an Administration Charge; and (b) any DIP Lender's Charge or Directors' Charge (if any and as such may be defined in an Order of the Court granted in the Proceedings). No Administration Charges, DIP Lender's Charge or Directors' Charge are being sought at this time.

12. The Proposal Trustee is supportive of the KERP and the KERP Charge.

ii. Authorization to Pay Pre-filing Commissions Owing to KERP Participant

13. One of the KERP Participants is owed certain amounts on account of commissions that are owed to her for sales completed before the filing of the NOI but which are not payable until August 15, 2025, in accordance with the Company's normal commissions pay cycles.

14. These commissions are an integral part of the employee's compensation package. The 13-week cashflow prepared by the Company as part of these NOI proceedings provides for the payment of these commissions. The payment of the commissions will not hamper or impede with the Company's efforts to explore restructuring alternatives during the NOI proceedings, and in fact will help those efforts since, as with the KERP described above, it will ensure that this critical employee will remain engaged and committed to the Company's sales and restructuring efforts.

iii. Extension of Time to File a Proposal

15. TPX is seeking an extension of the time to file a proposal from August 6, 2025, which is the current expiration date, to September 22, 2025 (the "**Extension**").

16. The Extension will provide TPX with additional time that it requires to do the following: (a) continue its on-going restructuring efforts, including, but not limited to, continuing discussions with at least two potential purchasers or investors regarding a restructuring investment or sale; and (b) to continue operations of the Company while such restructuring efforts are carried out to ensure that, among other things, the Company carries out its customers advertising and marketing campaigns out as planned.

17. TPX has and will continue to work in good faith and due diligence in the period prior to and during this NOI proceeding.

18. If granted, the Extension sought on this motion will not cause any prejudice to TPX's creditors. With the benefit of the stay of proceedings, the Company is continuing to operate in accordance within the 13-week case flow that prepared with the

assistance of the Proposal Trustee, and it continues to pay expenses that have been incurred since the filing of the NOI in the normal course.

19. The Proposal Trustee is supportive of the proposed Extension and the approval of the KERP.

C. Other Grounds

20. Sections 34, 50.4(9), 69 and 183 of the BIA.

21. Section 137(2) of the *Courts of Justice Act*, R.S.O.1990, c. C.43.

22. Rules 1.04, 1.05, 2.03, 3.02, and 37.01 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended.

23. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

- (a) the Affidavit of Pary Bell, affirmed July 29, 2025;
- (b) the Supplementary Affidavit of Pary Bell, affirmed August 5, 2025; and
- (c) such further and other evidence as counsel may advise and this Honourable Court may permit.

August 5, 2025

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Lawyers for the Moving Party,
The Podcast Exchange Inc.

TO: THE SERVICE LIST

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF THE
PODCAST EXCHANGE INC, IN THE CITY OF TORONTO, IN THE PROVINCE OF
ONTARIO

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

Proceeding commenced at TORONTO

FRESH AS AMENDED NOTICE OF MOTION

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Lawyers for the Moving Party, The Podcast Exchange Inc.

TAB 2

Court File No. BK-25-03244564-0031
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**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF THE PODCAST EXCHANGE INC,
IN THE CITY OF TORONTO, IN THE PROVINCE OF
ONTARIO

AFFIDAVIT OF PARY BELL
(Affirmed July 29, 2025)

I, **PARY BELL**, of the City of Toronto, in the Province of Ontario, **AFFIRM**:

1. I am the Chief Executive Officer ("**CEO**") of The Podcast Exchange Inc. ("**TPX**" or the "**Company**") since February 2024, and in such capacity have been the most senior executive officer of the Company. In that capacity, I have been actively engaged in the discussions surrounding and the work undertaken with respect to TPX's financial circumstances of prior to the commencement of these proceedings. As such, I have personal knowledge of the matters referred to in this Affidavit. Where I have relied upon other sources of information, I have stated the source of that information and believe such information to be true.
2. On July 7, 2025 (the "**Filing Date**"), TPX filed a notice of intention to make a proposal (the "**NOI**") under the Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3 (the "**BIA**"). TDB Restructuring Limited was appointed to act as the proposal trustee (the "**Proposal Trustee**"). A Certificate from the Superintendent in Bankruptcy confirming the filing of the NOI is attached as **Exhibit "A"**.
3. This Affidavit is sworn in support of the motion brought by TPX for an order:

- a. approving a key employee retention plan (the “**KERP**”) for certain employees and independent contractors of TPX;
 - b. approving a priority charge against the property of TPX (the “**KERP Charge**”) as security for amounts that may become payable under the KERP, up to the maximum amount of \$96,000;
 - c. granting a sealing order in relation to the KERP; and
 - d. extending the time for TPX to file a proposal under the BIA to September 22, 2025.
4. In addition to the relief being sought in the accompanying motion, the purpose of this Affidavit is to update the Court on the activities of TPX since the Filing Date.

A. Background and Overview

5. TPX is an advertising reseller specializing in podcast advertising. TPX creates, manages and places advertising for brands and advertising agencies and other related services.

6. Since the time I was hired as TPX’s CEO, I have undertaken a review and restructuring of TPX’s operations in order to cut costs and maximize efficiency in order to address certain legacy issues that were increasing TPX’s cost structure and improve operations. Those efforts included, among other things, reducing unnecessary costs, restructuring operations and optimizing cash management processes, including optimizing accounts receivable collections. As a result of those efforts, TPX’s cost base has been reduced and, despite changing and challenging market changes, TPX’s revamped sales functions were seeing traction generating strengthened relationships with its clients as well as with content providers who broadcast podcasts on which TPX places its clients’ advertisements. Those efforts have been continuing.

7. However, TPX continued to be hampered by the on-going impact of certain legacy issues and, in light of the time-lag in the cash flow cycle that is typical in the industry, it was determined by myself and TPX’s former directors that a formal restructuring process

under the BIA was required and was the best avenue in which to protect all stakeholders' interests.

8. Accordingly, on the Filing Date, the Company filed the NOI as TPX required the stay of proceedings to give it the breathing room needed to review and advance its restructuring options.

9. The principal purpose of this NOI proceeding is to enable TPX to assess the best path forward for its stakeholders and to devise a viable proposal or plan for the benefit of its stakeholders in light of the available alternatives. The relief sought on this motion is necessary to further that objective and will not cause any prejudice to TPX's creditors and stakeholders. As described in this Affidavit, since the Filing Date, TPX has acted in good faith and made diligent efforts to stabilize its operations and pursue a going-concern solution. If granted, the relief sought on this motion will provide TPX with part of the time needed and ensure the retention of the key employees that is essential and critical to furthering these efforts.

B. Overview of TPX's Activities since the Filing Date

(i) Further Cost Containment

10. Since the commencement of these proceedings, TPX has continued to eliminate costs that are not currently necessary so as to better situate TPX to take advantage of the potential restructuring alternatives that may be available and to preserve value for all stakeholders. Most notably, TPX has terminated the employment of two employees who were recently hired and who were determined to not be necessary for the Company's restructuring efforts. TPX has also successfully renegotiated the payment terms on an agreement with a key supplier (Magellan AI), shifting from a large upfront payment to a monthly structure. This renegotiation has helped with cash flow.

11. In addition, we have worked with our professional advisors and the Proposal Trustee to determine what other costs associated with legacy matters can or should be eliminated. In this regard, TPX has disclaimed a consulting contract with a former officer and director.

12. The effect of foregoing changes will have a permanent positive impact on the Company's cash flow going forward.

(ii) Engagement with Key Stakeholders

13. Since the commencement of the NOI proceedings, certain creditors and stakeholders have contacted the Company for further information about the process and the Company's plans for the NOI proceedings and going forward. The Company has responded to each of these inquiries. While, as discussed further below, the Company does not at this time have a definitive plan as to what steps it will take in the NOI proceedings, I believe that we have been able to address the inquiries from creditors and stakeholders to their satisfaction. As evidence of the success of our engagement with stakeholders, most stakeholders and creditors that inquired with us since the commencement of the NOI process have agreed to continue with TPX going forward, and, to this point, have done so. The Company has also continued to book new business in the month of July for work that will run across the next few months, and is a positive sign for TPX's going forward business prospects notwithstanding the filing of the NOI.

(iii) Efforts to Pursue a Going Concern Solution

14. Since TPX filed the NOI, we have received numerous expressions of support from our clients and content providers. A tangible testament to the on-going support that TPX is receiving is the fact that, as noted above, TPX has continued to book advertising campaigns for the autumn advertising cycle and has received new bookings and business.

15. In addition, the Company has received various unsolicited expressions of interest regarding potential restructuring transactions from certain strategic actors in the industry. The Company is considering the information that it has received from these early-stage discussions to determine what sort of restructuring process may be implemented during the NOI proceedings, such as a potential stalking horse bid or other formal sales process.

16. As those discussions are at an early stage, and further exploration of the potential alternatives still needs to be explored, TPX requires an extension of NOI proceedings in order to explore these alternatives and formulate an appropriate restructuring plan.

17. As a result of the forgoing, I believe that there has been a sufficient level of interest from parties in preserving the business to warrant continuing to pursue options for a going concern sale and the continuation of this NOI proceeding.

C. Relief Sought on this Motion

(i) Key Employee Retention Plan and KERP Charge

18. As part of this proceeding, TPX is seeking this Court's approval of the KERP, which is designed to retain and incentivize three (3) key employees (the "**KERP Participants**") that have been identified as crucial to TPX's restructuring efforts. As noted above, the employment of those employees who were determined to not be essential for the Company's restructuring have already been terminated. TPX is also seeking a charge over its property in the amount of \$96,000 to secure the amounts payable under the KERP (the "**KERP Charge**"). TPX has been advised by the Proposal Trustee that it supports the KERP and the KERP Charge.

19. The KERP was approved by the Company's former directors the day before the Company filed the NOI. A copy of the resolution of the former directors in which they approved the KERP is attached as a "**Confidential Tab**" in the Motion Record. As noted further below, TPX is requesting a sealing order with respect to the KERP.

20. The KERP contemplates that each of the KERP Participants will be entitled to a retention payment based on a percentage of their annual salary. The aggregate retention payment for all of the KERP Participants is \$96,000.

21. Payments under the KERP will be paid in two instalments provided that the conditions have been met. The first instalment would become payment upon approval of the KERP, if granted, and the employees having remained employed with the Company following the first 30 days of the NOI proceedings. Further payments would be conditional upon the terms and conditions set out in the KERP, including that such KERP Participants

have not resigned or been terminated due to misconduct prior to the applicable payment dates.

22. The KERP Participants are a group of skilled and experienced individuals who are critical to value preservation and maintaining operational efficiencies at TPX. The KERP Participants perform critical management or business functions and have institutional knowledge and skills possessed thereby are irreplaceable, making their continued services vital to TPX's operations. TPX's ability to carry out the NOI proceedings for the benefit of all stakeholders would be greatly or irreparably impaired if those KERP Participants do not continue to work for TPX.

23. TPX, with the assistance of its advisors and former directors, developed the KERP. The KERP takes into consideration the KERP Participants' existing compensation packages and the circumstances of this NOI proceeding. I believe the KERP is necessary to ensure the continued engagement of the KERP participants. I have been informed by the other KERP Participants that the approval of the KERP is a significant factor as to whether they will be willing to continue working with TPX during this NOI proceeding.

24. If approved, the KERP Charge would rank in priority to all claims other than: (a) any amounts owing to the Company's professional advisors for services rendered during the proceedings and the Proposal Trustee, regardless of whether such amounts are protected by an Administration Charge; and (b) any DIP Lender's Charge or Directors' Charge (if any and as such may be defined in an Order of the Court granted in the proceedings). At this time, no Administration Charge, DIP Lender's Charge or Directors' Charge is being sought, but all or certain of those charges may be sought in the future if appropriate. Each KERP Participant will only obtain the benefit of the KERP Charge up to their respective individual entitlements under the KERP.

(ii) Sealing the KERP

25. The KERP is attached to the resolution that was approved by TPX's directors the day before the NOI was filed (a copy of which is attached to this affidavit as Confidential Exhibit "1" above). The KERP includes a detailed listing of the KERP Participants along with their names, current positions, compensation and proposed payments under the

KERP. Salary information is highly personal to the KERP Participants and is not generally made public by TPX. In order to protect the KERP Participants and to minimize disruption during the NOI proceeding, TPX is seeking an order sealing the KERP subject to a further court order.

(iii) Payment of Certain Pre-Filing Commissions

26. Certain of the individuals who were employees of the Company on the date on which the NOI was filed (being July 7, 2025) were entitled to receive a commission on sales that they made as part of their employment with the Company. In accordance with the Company's normal pay cycle for the commissions, the Commissions were not due to be paid until August 15, 2025.

27. One of those employees who is owed commissions for past sales is not only continuing to work with the Company, her involvement is critical to the Company's ongoing operations and restructuring efforts. She is a KERP Participant and the importance of ensuring that she is paid the commissions that are owed to her are the same as the need for the KERP as discussed above. She is owed approximately \$13,650 on account of commissions that are due to be paid on August 15, 2025, which amounts are an integral part of her compensation package.

28. The 13-week cashflow prepared by the Company as part of these NOI proceedings provides for the payment of these commissions. The payment of that amount will not hamper or impede with the Company's efforts to explore restructuring alternatives during the NOI proceedings, and is in fact necessary to ensure that this critical employee remains engaged in the Company's sales and restructuring efforts going forward.

(iv) Extension of Time to File a Proposal

29. TPX is seeking an extension of the time to file a proposal from its current expiration date of August 6, 2025 to September 22, 2025 (the "**Extension**") (as the 45th day after the current expiration date lands on a Sunday, I understand that the next non-holiday day is Monday, September 22, 2025).

30. The Extension will provide TPX with the requisite time to further explore its restructuring alternatives for the benefit of all stakeholders. The Company continues to operate and pay liabilities arising after the filing of the NOI. TPX has and intends to continue to work in good faith and due diligence in the period prior to and during this NOI proceeding.

D. Conclusion

31. For the reasons expressed herein, I am of the view that TPX is acting in good faith and with due diligence in seeking the relief sought on this motion and that if granted, the relief will not prejudice any of the Company's creditors.

Sworn or Affirmed before me: (select one): ☐ in person OR ☒ by video conference

AFFIRMED BEFORE ME by video conference by Pary Bell, in the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on July 29, 2025, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely

Signed by:

Shimon Sherrington

Shimon Sherrington

Commissioner for Taking Affidavits
(or as may be)

Signed by:

Pary Bell

PARY BELL

THIS IS **EXHIBIT "A"** REFERRED TO IN THE AFFIDAVIT
OF **PARY BELL** AFFIRMED JULY 29, 2025

Signed by:

A56E6ED310C2489

Shimon Sherrington

*Commissioner for Taking Affidavits
(or as may be)*



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of: Ontario
Division No.: 09 - Toronto
Court No.: 31-3244564
Estate No.: 31-3244564

In the Matter of the Notice of Intention to make a proposal of:

The Podcast Exchange Inc.

Insolvent Person

TDB Restructuring Limited
Licensed Insolvency Trustee

Date of the Notice of Intention:

July 07, 2025

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

E-File/Dépôt Electronique

Date: July 08, 2025, 09:17

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF THE
PODCAST EXCHANGE INC, IN THE CITY OF TORONTO, IN THE PROVINCE OF
ONTARIO

**ONTARIO
SUPERIOR COURT OF JUSTICE
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IN BANKRUPTCY AND INSOLVENCY**

Proceeding commenced at TORONTO

**AFFIDAVIT OF PARY BELL
(AFFIRMED JULY 29, 2025)**

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Lawyers for the Moving Party, The Podcast Exchange
Inc.

TAB 3

Court File No. BK-25-03244564-0031
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MAKE A PROPOSAL OF THE PODCAST EXCHANGE INC,
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ONTARIO

SUPPLEMENTARY AFFIDAVIT OF PARY BELL
(Affirmed August 5, 2025)

I, **PARY BELL**, of the City of Toronto, in the Province of Ontario, **AFFIRM**:

1. I have been the Chief Executive Officer ("**CEO**") of The Podcast Exchange Inc. ("**TPX**" or the "**Company**") since February 2024, and in such capacity have been the most senior executive officer of the Company. In that capacity, I have been actively engaged in the discussions surrounding and the work undertaken with respect to TPX's financial circumstances of prior to the commencement of these proceedings. As such, I have personal knowledge of the matters referred to in this Affidavit. Where I have relied upon other sources of information, I have stated the source of that information and believe such information to be true.
2. On July 7, 2025 (the "**Filing Date**"), TPX filed a notice of intention to make a proposal (the "**NOI**") under the Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3 (the "**BIA**"). TDB Restructuring Limited was appointed to act as the proposal trustee (the "**Proposal Trustee**"). On July 6, 2025, the day before the Filing Date, all of the Company's directors resigned.
3. On July 29, 2025, I affirmed an affidavit (the "**First Bell Affidavit**") in support of TPX's motion for an extension of the deadline to file a proposal in these proceedings, the approval of a Key Employee Retention Plan ("**KERP**"), and related relief. I affirm this

supplementary affidavit to provide further information and clarification about certain matters discussed in the First Bell Affidavit, as well as to provide a further update on the Company's restructuring efforts.

4. Capitalized terms not defined herein have the meaning ascribed to them with the First Bell Affidavit.

5. A copy of the Directors Resolution dated July 6, 2025, which attaches a copy of the KERP, is attached as **Exhibit "A"** hereto.

A. Additional Information About the Company's Restructuring Efforts

6. In the lead up to the filing of the NOI, the Company and its former directors were concerned with designing and implementing a restructuring process that would address the following factors:

- a. It was not known how long the NOI process would run before it was known whether a viable restructuring would be possible. In particular, it was not known whether the Company's clients would continue to book new business with the Company and have the Company complete the existing campaign bookings, or if its clients would instead immediately move their advertising campaigns to other agencies such that the Company would not be able to restructure and it would simply wind-up its operations within 30 days of the filing of the NOI or shortly thereafter.
- b. None of the existing four shareholders, each of whom had appointed one of the four directors, intended to sponsor a plan or proposal. Accordingly, it was anticipated that any restructuring that became possible would likely take place through a sale of the Company's assets such that TPX as a corporate entity would be ultimately wound down.
- c. In order to protect the interests of both the Company's clients and creditors, it was important that the restructuring process was carried out in a manner that allowed for the following related, but different, objectives to be met: (i) allowing

the Company to complete the advertising campaigns that it already had booked in order to maximize the value of the Company's assets, including those campaigns that were to run past the initial 30-days following the filing of the NOI; (ii) providing the Company's clients sufficient time to, had they wished, to transfer campaigns to other agencies so as to mitigate any potential claims that they might have against the Company; and (iii) providing the Company's clients with sufficient time to work with the Company before making any decisions regarding the future of any of their existing or future advertising campaigns.

7. As noted in the First Bell Affidavit, since the Filing Date, the response and support from the Company's clients and creditors (including the podcast content providers) has been overwhelmingly positive. No clients have moved existing campaigns to other agencies, and clients continue to book new campaigns with the Company into the fall advertising cycle.

8. In addition, the content providers who produce the podcasts that the Company purchases advertising space on, have all agreed to continue to work with the Company notwithstanding the legacy liabilities owed to these creditors. This too has been a positive response to the Company's NOI filings.

9. Accordingly, the Company has not encountered the potential negative market reaction from clients and creditors that might have occurred and which would have necessitated a rapid cessation of operations. Instead, the Company has experienced strong support and cooperation from its clients and creditors and the Company has continued to operate in the normal course.

10. As a result, the Company, led by management, has begun exploring potential restructuring alternatives. Given that, as noted above, the former directors have all resigned and the shareholders have not expressed an intention to sponsor a plan of arrangement type of proposal, it is anticipated that any restructuring or proposal will be structured through an asset sale and that TPX as a corporation will ultimately be wound down or amalgamated following the implementation of such restructuring.

11. It is also worthwhile to note that the Company's efforts to consider and, if possible, implement, a restructuring have been progressing well. First, the Company has now signed two (2) non-disclosure agreements with potential acquirors or proposal sponsors (the "**Potential Bidders**") for the purposes of engaging in detailed negotiations for a sale or restructuring of the business. Second, the Company is in the process of engaging a financial advisor to provide advice and assistance with the negotiations with the Potential Bidders.

12. The Company expects that, once it is able to have the initial discussions with the Potential Bidders and any other potential candidates over the next coming weeks, it will then be in a position to determine the best process to further the restructuring process, such as through a stalking horse bid or other form of sales process, or other form of proposal.

13. In addition to facilitating these initial discussions, a stay extension will allow the company to continue to explore and pursue the making of a successful proposal to its creditors. Without the extension, the Company will not be in a position to make a viable proposal to its creditors and will become bankrupt to the detriment of its stakeholders.

14. Furthermore, no creditors will be prejudiced by the granting of an extension to file the proposal. As noted in the First Bell Affidavit and herein, the Company continues to operate within the 13-week cash flow that it filed, it is meeting all of the its new obligations coming due, and this process is maximizing the value of its assets by allowing the Company to carry out the advertising campaigns in order to generate additional cash flow, which should benefit the Company's creditors.

15. For these reasons, I verily believe that the Company and its stakeholders will benefit from an extension of the deadline to file a proposal.

B. Additional Information About the KERP

16. In the First Bell Affidavit, I explained the background and rationale of the KERP. The following sets out some additional information about the KERP and the relief sought with respect to the KERP.

17. I had negotiated the KERP with the former directors prior to the filing of the NOI. Based on my planning for the Company's operations over the next coming months (including employee terminations as part of the NOI proceedings), and based on my discussions with the KERP Participants, it was clear that the remaining employees, being the KERP Participants, were all essential to giving the Company the best possible chance to explore, consider and implement a restructuring of the Company. Ensuring that those employees were committed to staying on for at least the 75-day period contemplated by the KERP was necessary to allow for the Company to plan for the NOI process, provide assurances to its clients of its ability to continue to operate during the NOI proceedings, to deliver on campaigns, and to continue operating in the normal course of business. Without the certainty of those things, a potential restructuring of the Company and a maximization of its assets would not be possible.

18. The eligibility requirements under the KERP were designed to ensure that the benefits under the KERP would only be triggered once the Company was actively pursuing a restructuring proposal in some form (as opposed to an immediate wind-down). As discussed above, before the NOI was filed: (a) the Company was aware that its ability to continue operations and consider a potential restructuring was dependent on the reaction from the Company's clients and content providers to the filing of the NOI; and (b) the Company expected that the market's reaction in this regard would be known within the first weeks following the Filing Date. Accordingly, the KERP was designed to ensure that the KERP Participants would only receive a benefit under the KERP if, following the initial weeks of the NOI proceedings, it was determined that the Company had a path towards restructuring and would not be pursuing an immediate wind-down. The KERP accomplished this by providing that the first payment under the KERP would only become effective if they were still employed after 30 days after the Filing Date, which would only occur if an extension of the deadline to file a proposal had been obtained, which extension would only be necessary if the Company was pursuing a restructuring.

C. Request for Sealing Order

19. I note that the Company is no longer seeking a sealing order in respect of the Resolution of the Directors or the entirety of the KERP attached thereto, as the Company is content to file a copy of the KERP attached to the July 6, 2025 resolution.

20. To the extent that a sealing order remains necessary with respect to the salary information of the KERP Participants that will be redacted, the Company respectfully seeks a sealing order over that information for a limited time for the following reasons:

- a. The salaries of the KERP Participants are confidential information of specifically identifiable individuals; and
- b. As part of any sales process, the salaries of the KERP Participants can be expected to be a key point of any negotiations. Accordingly, the premature public disclosure of that information may place the KERP Participants at an unfair disadvantage during those negotiations. As a result, that information should be only be disclosed (if at all) within the confines of negotiations between TPX, the KERP Participants and any potential bidders.

21. Once any sales process or these proceedings are concluded, the particular sensitivity surrounding the salary information should have subsided. Therefore, the Company proposes that any sealing order with respect to the salary information be terminated upon the earlier of: (i) the closing of any sale transaction in which the KERP Participants become employees of the purchaser; and (ii) the conclusion of these proceedings.

Sworn or Affirmed before me: (select one): ☐ in person OR ☒ by video conference

AFFIRMED BEFORE ME by video conference
by Pary Bell, in the City of Toronto, in the
Province of Ontario, before me at the City of
Toronto, in the Province of Ontario, on August
5, 2025, in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely

Signed by:

Shimon Sherrington

A56F6FD310CB489

SHIMON SHERRINGTON

Commissioner for Taking Affidavits

(or as may be)

Signed by:

Pary Bell

9F409722CE542FE

PARY BELL

THIS IS **EXHIBIT "A"** REFERRED TO IN THE AFFIDAVIT
OF **PARY BELL** AFFIRMED AUGUST 5, 2025



Shimon Sherrington

*Commissioner for Taking Affidavits
(or as may be)*

RESOLUTIONS OF THE BOARD OF DIRECTORS
OF
THE PODCAST EXCHANGE INC.
(the "**Corporation**")

The undersigned, being all of the directors of the Corporation, acting by written resolution in lieu of a meeting pursuant to the provisions of the Ontario *Business Corporations Act* (the "**Act**") hereby adopt the following resolutions:

WHEREAS, the Corporation is having financial difficulties and is no longer able to meet its obligations as they generally fall due;

AND WHEREAS, all of the directors of the Corporation deem it to be in the best interests of the Corporation to initiate proceedings to effect an orderly wind-down of its operations by filing a Notice of Intention to File a Proposal (an "**NOI**") pursuant to Part III, Division I of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended ("**BIA**"); and

AND WHEREAS, all of the directors of the Corporation deem it to be in the best interest of the Corporation and its stakeholders to approve the Key Employee Retention Plan (the "**KERP**") attached hereto as Schedule "A" in order to facilitate the retention of key employees to effect an orderly wind-down of the Corporation's business and affairs for the benefit of the Corporation's stakeholders;

NOW THEREFORE, the directors of the Corporation have hereby:

RESOLVED, that the Corporation be, and it hereby is, authorized and directed to: (i) initiate restructuring proceedings pursuant to Part III, Division I of the BIA by filing an NOI (the "**Proposal Proceedings**") on July 4, 2025, or as soon thereafter as possible after the payments contemplated herein are paid; (ii) take such actions, steps and proceedings as may be necessary or desirable to effect an orderly wind-down of its business pursuant to the Proposal Proceedings; (iii) retain and instruct such financial advisors, legal counsel (including, without limitation Tyr LLP), trustees and liquidators as are necessary to or desirable to give effect to these resolutions; and (iv) retain TDB Restructuring Limited as proposal trustee in respect of the Proposal Proceedings.

RESOLVED, that the Corporation be, and it hereby is, authorized and directed to pay the accounts of Tyr LLP and PTCFO as of July 4, 2025, and to provide them with such cash retainer as they may reasonably request as security for the payment of their fees and expenses during the Proposal Proceedings.

RESOLVED, that the Corporation be, and it hereby is, authorized and directed to forthwith pay all salaries, wages, commissions and vacation pay to all employees on and as of July 4, 2025, whether through a special payroll or otherwise.

RESOLVED, that the Corporation be, and it hereby is, authorized and directed to enter into the KERP and to bring such proceedings as may be desirable or necessary to give effect to

the KERP in accordance with its terms; (ii) the Corporation be, and it hereby is, authorized and empowered to perform all of its obligations under the KERP; and (iii) the form, terms and provisions of the KERP be, and are hereby, authorized and approved.

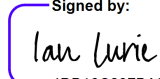
RESOLVED, that the Corporation be, and it hereby is, authorized to see debtor-in-possession financing should it determine that it is necessary or desirable to secure such funding in order to maximize the recoveries available for the Corporation's stakeholders.

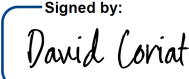
RESOLVED, that Pary Bell (the "**Authorized Officer**"), be is hereby authorized and empowered to execute and deliver any documents, and to take any and all such steps as he may consider to be necessary or desirable, in the name and on behalf of the Corporation in order to give effect to the resolutions herein, the wind-down of the Corporation's business and the Proposal Proceeding, all with such additions, deletions or changes therein as the Authorized Officer executing the same shall approve (the execution and delivery thereof by any such Authorized Officer to be conclusive evidence of his or her approval of any such additions, deletions or changes).

RESOLVED, that the Authorized Officer be, and is hereby, authorized and empowered to take all such further actions and to execute and deliver all such further documents, agreements, certificates, waivers, consents, postponements or instruments, amendments, additions or deletions, in the name and on behalf of the Corporation (under its corporate seal or otherwise) as he may deem necessary, desirable or appropriate to consummate, effectuate, implement, carry out or further the transactions contemplated by the foregoing resolutions and the Proposal Proceedings.

THE UNDERSIGNED, being all the directors of the Corporation entitled to vote at a meeting, hereby pass these resolutions pursuant to the provisions of the Act. These resolutions may be signed in as many counterparts as may be necessary, each of which shall be deemed an original (including those transmitted electronically or by facsimile) and all of which shall be deemed one instrument.

Dated the 6th day of July, 2025

Signed by:

 4DB16C297BA349A...
IAN LURIE (Chair)

Signed by:

 EBC7F2A90EA54B4...
DAVID CORIAT

Signed by:

 1FA88B5932E34E6...
JEFF ULSTER

Signed by:

 567D84FE36164CB...
JEAN-MARIE HEIMRATH

SCHEDULE 'A'

THE PODCAST EXCHANGE INC. KEY EMPLOYEE RETENTION PLAN

THE PODCAST EXCHANGE INC. (the "**Company**") has commenced restructuring proceedings ("**Proceedings**") under Part III, Division I of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended ("**BIA**"). In order to retain key employees of the Company while the Company restructures, the Company hereby establishes a key employee retention plan ("**KERP**") on the terms set forth below.

The KERP is subject to the recommendation of TDB Restructuring Inc. (the "**Proposal Trustee**") and approval by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") in the Proceedings.

Eligibility Participation in the KERP will be limited to those employees (each a "**Participant**"), identified on Schedule "A" hereto, who have been identified by the Company, in consultation with the Proposal Trustee, as "Key Employees" who are critical to continuing the Company's operations during the Proceedings for the benefit of the Company's stakeholders.

Retention Payments All Participants will be entitled to receive retention payments under the KERP ("**Retention Payments**") on the terms and conditions herein, and as more particularly set out in Schedule "A" hereto. The purpose of the Retention Payments is to provide a cash incentive to Participants to continue their employment with the Company through the earlier of:

- (a) certain milestones within the Proceedings
 - (b) the full anticipated term of the restructuring and the completion of the Proceedings; or
 - (c) the employment is terminated by the Company without cause
- (items (a) and (c) collectively, a "**Triggering Event**").

Retention Payments will be paid to Participants on the next regular payroll date following a Triggering Event (the "**Trigger Date**").

Each Participant is required to continue to perform his or her duties in a competent manner and comply with all employment agreements and Company rules and policies. In the event that a Participant is terminated for cause by the Company or resigns before a Trigger Event, then the Participant will not be entitled to receive any Retention Payment with respect to the Trigger Event occurring subsequent to such termination or resignation.

- 2 -

<i>Statutory Remittances</i>	All Retention Payments will be considered earnings from a Participant's employment and subject to income tax and other statutory deductions required by law,
<i>Priority Charge</i>	A charge on the property of the Company, up to a maximum amount of \$96,000 as security for payment of amounts owing to Participants under the KERP ranking in priority to all claims other than: (a) any amounts owing to the Company's professional advisors for services rendered during the Proceedings and the Proposal Trustee regardless of whether such amounts are protected by an Administration Charge; and (b) any DIP Lender's Charge or Directors' Charge (if any and as such may be defined in an Order of the Court granted in the Proceedings).
<i>Confidentiality</i>	The terms of the KERP shall be kept strictly confidential by the Participants and may only be disclosed by a Participant to members of the Participant's immediate family and his or her professional counsel and financial advisors.
<i>Administration</i>	The KERP shall be administered by the CEO of the Company under the review and supervision of the proposal trustee, who shall have the full power and authority to take all actions, and to make all determinations, required or provided for under this KERP, and all such other actions and determinations not inconsistent with the specific terms and provisions of this KERP deemed by the CEO to be necessary or appropriate to the administration of this KERP. The interpretation and construction by the CEO of any provision of this KERP shall be final, binding and conclusive. The approval of the Court shall be required for any proposed amendment of this KERP.
<i>Miscellaneous</i>	Retention Payments will not be considered earnings for the purpose of determining vacation pay or for the purpose of determining any earnings-based Company-provided employee benefits, including any savings, pension, severance or bonus plan. Nothing in the KERP shall confer upon any Participant any right to continue in the employ or service of the Company, nor shall it interfere with or restrict in any way the rights of the Company, which are hereby expressly reserved, to remove, terminate or discharge, as applicable, any Participant at any time for any reason whatsoever. The KERP is in addition to any other agreement between a Participant and the Company. Nothing in this KERP shall eliminate, substitute for or replace any obligation the Company has to a Participant in any other employment agreement, incentive compensation or retention plan or the like that may be in effect between the Participant and the Company.

SCHEDULE “A”

The following table in this Schedule “A” sets out: (a) which employees of The Podcast Exchange Inc. (the “**Company**”) are “Participants” within the meaning of the Company’s Key Employee Retention Plan (“**KERP**”); (b) the “Triggering Events” as defined in the KERP; and (c) the incentive bonus that the Participant is entitled to receive in the event they are still employed by the Company at the time the Triggering Event occurs.

	First KERP Incentive		Second KERP Incentive	
Participant	Triggering Event	Incentive Bonus	Trigger Event	Incentive
Pary Bell	Remains employed 30 days following Filing Date*	10% of 2025 Base Salary	Remains employed 75 days following Filing Date	10% of 2025 Base Salary
Gwen O’Toole	Remains employed 30 days following Filing Date	10% of 2025 Base Salary	Remains employed 75 days following Filing Date	10% of 2025 Base Salary
Stephane Hood	Remains employed 30 days following Filing Date	10% of 2025 Base Salary	Remains employed 75 days following Filing Date	10% of 2025 Base Salary

* “Filing Date” is the date on which the Proposal Proceedings were commenced.

Court File No. BK-25-03244564-0031

Estate File No. 31-3244564

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF THE
PODCAST EXCHANGE INC, IN THE CITY OF TORONTO, IN THE PROVINCE OF
ONTARIO

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

Proceeding commenced at TORONTO

SUPPLEMENTARY AFFIDAVIT OF PARY BELL
(Affirmed August 5, 2025)

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Lawyers for the Moving Party, The Podcast Exchange
Inc.

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF THE
PODCAST EXCHANGE INC, IN THE CITY OF TORONTO, IN THE PROVINCE OF
ONTARIO

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

Proceeding commenced at TORONTO

SUPPLEMENTARY MOTION RECORD

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