

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

IN RE: ASCALADE COMMUNICATIONS, INC. AND)	Case No. 08-10612 and 08-10616
ASCALADE TECHNOLOGIES, INC.)	(jointly administered)
)	
)	Hon. Susan Pierson Sonderby
Debtors in a Foreign Proceeding.)	
)	Chapter 15
)	

**ORDER RECOGNIZING FOREIGN MAIN PROCEEDING
UNDER CHAPTER 15 OF THE UNITED STATES BANKRUPTCY CODE**

This cause coming to be heard on the petition of Deloitte & Touche Inc., not individually but solely as Monitor (the "*Monitor*" or the "*Petitioner*"), appointed in the matter of Ascalade Communications, Inc. and Ascalade Technologies, Inc. (the "*Foreign Debtors*") pending in the Supreme Court of British Columbia, No. S081520, under the Companies' Creditors Arrangement Act, the Canada Business Corporations Act, and the British Columbia Business Corporations Act, (the "*Foreign Proceeding*"), for recognition of the Foreign Proceeding as a foreign main proceeding pursuant to §§ 1515 and 1517 of the United States Bankruptcy Code (the "*Code*"), notice having been given pursuant to Rule, all objections having been resolved or overruled by the Court to the extent inconsistent with this Order, and the Court having reviewed the Petition and Declarations and papers filed in Support by Petitioner:

It appears to the Court that:

A. This Court has jurisdiction of this matter pursuant to 28 U.S.C. 157 and 1334 and 11 U.S.C. 1501. Venue is proper in this district pursuant to 28 U.S.C. 1410.

B. the Foreign Proceeding is a "foreign proceeding" within the meaning of § 101(23) of the Code;

C. Deloitte & Touche Inc., the Monitor in the Foreign Proceeding, is the proper "foreign representative" of the Foreign Debtors within the meaning of § 101(24) of the Code (the "*Foreign Representative*");

D. upon the Declaration of the Foreign Representative, the registered offices of the Foreign Debtors are in Canada, and the Foreign Debtors are entitled to the presumption that Canada is the Foreign Debtors' "center of main interests" (COMI) under § 1516(c). There being no conflicting evidence, Canada is the COMI of the Foreign Debtors, therefore,

IT IS HEREBY ORDERED:

1. The Foreign Proceeding is hereby recognized as a foreign main proceeding under Chapter 15 of the Code;

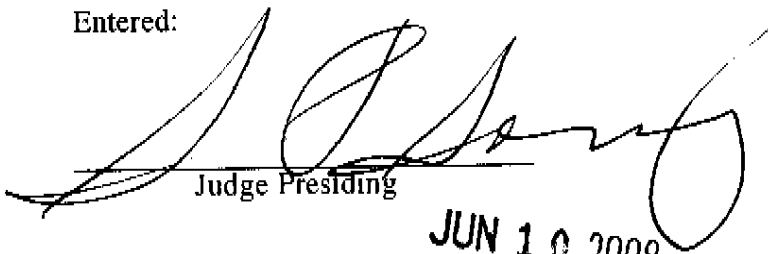
2. The Foreign Debtors are entitled to the relief set out in 11 U.S.C. § 1520; and

3. To the extent not otherwise stayed by § 1520 of the Code, the action pending in the United States District Court for the Northern District of Illinois, *Riparius Venterures LLC v. Ascalade Communications, Inc.*, No. 07-CV-3063, consolidated, as against Foreign Debtor Ascalade Communications, Inc. is hereby stayed pursuant to 11 U.S.C. § 1521, but solely as to the Foreign Debtors.

4. Nothing in the foregoing paragraph 3 shall be construed to stay discovery directed to Foreign Debtors which does not unduly burden the administration of the estates and which is narrowly tailored so as not to constitute the undertaking of an action against the Foreign Debtors or against any property of the Foreign Debtors in order to enforce a pre-petition claim against the Foreign Debtors, provided further, however, that nothing in this paragraph 4, shall be construed to create or limit any rights to discovery otherwise existing under applicable laws and rules.

SO ORDERED

Entered:


Judge Presiding

JUN 10 2008