

Court File No. & Estate No. CV-19-627184-00CL (31-2560674)
CV-19-627185-00CL (31-2560984)
and CV-19-627186-00CL (31-2560986)

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA FINTECH SOLUTIONS
CORP., WHITESIDE CAPITAL CORPORATION AND 0984750 B.C. LTD. D/B/A
QUADRIGA CX AND QUADRIGA COIN EXCHANGE**

**MOTION RECORD
(Re: CRA Production Demand)
(Returnable April 14, 2020)**

March 24, 2020

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Elizabeth Pillon LSO#: 35638M
Tel: (416) 869-5623
Email: lpillon@stikeman.com

Maria Konyukhova LSO#: 52880V
Tel: (416) 869-5230
Email: mkonyukhova@stikeman.com

Lee Nicholson LSO#: 66412I
Tel: (416) 869-5604
Email: leenicholson@stikeman.com
Fax: (416) 947-0866

**Lawyers for Ernst & Young Inc.,
Trustee-in-Bankruptcy**

INDEX

Court File No. & Estate No. CV-19-627184-00CL (31-2560674)
CV-19-627185-00CL (31-2560984)
and CV-19-627186-00CL (31-2560986)

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA FINTECH
SOLUTIONS CORP., WHITESIDE CAPITAL CORPORATION AND 0984750 B.C.
LTD. D/B/A QUADRIGA CX AND QUADRIGA COIN EXCHANGE**

INDEX

TAB	DOCUMENT
1	Notice of Motion dated March 24, 2020
2	Sixth Report of the Trustee dated March 24, 2020
A.	Appendix "A" – Law Enforcement Order and Endorsement dated September 17, 2019
B.	Appendix "B" – CRA Production Demand dated February 26, 2020
C.	Appendix "C" – Representative Counsel Order dated February 28, 2019
3	Draft Order

TAB 1

Court File No. & Estate No. CV-19-627184-00CL (31-2560674)
CV-19-627185-00CL (31-2560984)
and CV-19-627186-00CL (31-2560986)

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA FINTECH SOLUTIONS
CORP., WHITESIDE CAPITAL CORPORATION AND 0984750 B.C. LTD. D/B/A
QUADRIGA CX AND QUADRIGA COIN EXCHANGE**

**NOTICE OF MOTION
(Re: CRA Production Demand)
(Returnable April 14, 2020)**

Ernst & Young Inc. (“**EY**”), in its capacity as the Trustee in Bankruptcy (the “**Trustee**”) of 0984750 B.C. Ltd. d/b/a Quadriga CX and Quadriga Coin Exchange (“**Quadriga**”), Quadriga Fintech Solutions Corp. (“**Fintech**”) and Whiteside Capital Corporation (“**Whiteside**”) (the “**Companies**”) under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the “**BIA**”), will make a Motion to the Judge presiding over the Commercial List on April 14, 2020 at 10:00 a.m.

PROPOSED METHOD OF HEARING: The motion is to be heard orally via teleconference (**Dial-In: 1-800-969-9731; Access Code: 7339943#**)

THE MOTION IS FOR:

1. An order (the “**CRA Production Order**”), substantially in the form of the draft order attached at Tab 3 to the Motion Record, that, among other things, authorizes and permits the Trustee to comply with the CRA Production Demand (defined below).
2. Such further and other relief as counsel may request and the Court deems just.

THE GROUNDS FOR THE MOTION ARE:

Background

3. The Companies were involved in the business of operating a cryptocurrency exchange, which provided a platform for trading cryptocurrencies;
4. Following the death of the Companies' chief executive officer, Gerald Cotten, the Companies were granted protection from their creditors by the Nova Scotia Supreme Court under the *Companies' Creditors Arrangement Act* (the "CCAA") on February 5, 2019. EY was appointed Monitor of the Companies (the "**Monitor**");
5. On April 11, 2019, the Nova Scotia Supreme Court issued the Termination and Bankruptcy Assignment Order, approving the process by which the CCAA proceedings would transition to bankruptcy proceedings under the BIA. EY was made the Trustee;
6. On September 10, 2019, the Nova Scotia Supreme Court granted an order transferring the BIA proceedings to the Ontario Superior Court of Justice (Commercial List);

Law Enforcement Order

7. On September 17, 2019, the Court issued an Order (the "**Law Enforcement Order**") authorizing the Trustee to comply with production orders, summons and other demands ("**Production Demands**") obtained by various law enforcement officials, regulatory agencies and tax authorities (collectively "**Law Enforcement**");
8. At the hearing, representative counsel to the affected users ("**Representative Counsel**") raised certain concerns in respect of a proposed production by the Trustee to the Canada Revenue Agency ("**CRA**") and as a result, the endorsement (the "**Law Enforcement Endorsement**") of the Court provided that "[p]rior to any compliance with a CRA Production Demand, the Trustee shall give Representative Counsel reasonable advance notice of its intent to comply to allow Representative Counsel an opportunity to apply to this Court to seek relief in respect of such Production Demand";

CRA Production

9. Following receipt of a production demand from CRA, in accordance with the Law Enforcement Endorsement, the Trustee provided Representative Counsel with reasonable advance notice of its intention to comply with the production demand;
10. Following that notice, the Trustee has engaged in several conversations with Representative Counsel and CRA and its legal counsel in respect of the production demand;
11. As result of those discussions, the CRA has issued a new production demand dated February 26, 2020 (the “**CRA Production Demand**”) pursuant to section 231.2 of the *Income Tax Act*;
12. Various items and information requested in the CRA Production Request does not exist or is not available to the Trustee, however, the Trustee intends to produce a copy of the full eDiscovery database in its possession, redacted only for privilege, in response to the CRA Production Demand;
13. Based on the discussions with Representative Counsel, the Trustee understands that the official committee of affected users do not object to the production of the eDiscovery database to CRA subject to obtaining the CRA Production Order from the Court;

General

14. The provisions of the BIA, including sections 34, 39, 205 and 206 and the inherent and equitable jurisdiction of this Court;
15. Section 231.2 of the *Income Tax Act*;
16. Rules 1.04, 1.05, 2.03, and 37 of the *Rules of Civil Procedure*, RRO 1990, Reg 194, as amended; and
17. Such further grounds as counsel may advise and this Court may see fit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the motion hearing:

18. The Sixth Report of the Trustee, dated March 24, 2020; and
19. Such further and other materials as counsel may advise and this Court may permit.

March 24, 2020

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Elizabeth Pillon LSO#: 35638M
Tel: (416) 869-5236
E-mail: lpillon@stikeman.com

Maria Konyukhova LSO#: 52880V
Tel: (416) 869-5230
Email: mkonyukhova@stikeman.com

Lee Nicholson LSO#: 66412I
Tel: (416) 869-5604
Email: leenicholson@stikeman.com
Fax: (416) 947-0866

Lawyers for the Trustee-in-Bankruptcy

**IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA
FINTECH SOLUTIONS CORP., WHITESIDE CAPITAL
CORPORATION AND 0984750 B.C. LTD. D/B/A QUADRIGA
CX AND QUADRIGA COIN EXCHANGE**

Court File No. & Estate No. CV-19-627184-00CL (31-2560674)
CV-19-627185-00CL (31-2560984)
and CV-19-627186-00CL (31-2560986)

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**
Proceeding commenced at Toronto

**NOTICE OF MOTION
(RETURNABLE APRIL 14, 2020)**

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Elizabeth Pillon LSO#: 35638M
Tel: (416) 869-5623
Email: lpillon@stikeman.com

Maria Konyukhova LSO#: 52880V
Tel: (416) 869-5230
Email: mkonyukhova@stikeman.com

Lee Nicholson LSO#: 66412I
Tel: (416) 869-5604
Email: leenicholson@stikeman.com
Fax: (416) 947-0866

Lawyers for the Trustee-in-Bankruptcy

TAB 2

Court File No. & Estate No. CV-19-627184-00CL (31-2560674)
CV-19-627185-00CL (31-2560984)
and CV-19-627186-00CL (31-2560986)

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA FINTECH
SOLUTIONS CORP., WHITESIDE CAPITAL CORPORATION AND 0984750
B.C. LTD. D/B/A QUADRIGA CX AND QUADRIGA COIN EXCHANGE

SIXTH REPORT OF THE TRUSTEE

March 24, 2020

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Elizabeth Pillon LSO#: 35638M
Tel: (416) 869-5623
Email: lpillon@stikeman.com

Maria Konyukhova LSO#: 52880V
Tel: (416) 869-5230
Email: mkonyukhova@stikeman.com

Lee Nicholson LSO#: 66412I
Tel: (416) 869-5604
Email: leenicholson@stikeman.com
Fax: (416) 947-0866

Lawyers for the Trustee-in-Bankruptcy

INTRODUCTION

1. On February 5, 2019 (the “**Filing Date**”), Quadriga Fintech Solutions Corp., Whiteside Capital Corporation and 0984750 B.C. Ltd. (“**Quadriga**”) d/b/a Quadriga CX and Quadriga Coin Exchange (collectively, the “**Companies**”) were granted protection from their creditors by the Nova Scotia Supreme Court (the “**Nova Scotia Court**”) under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”). Pursuant to an Order of Justice Wood dated February 5, 2019, Ernst & Young Inc. (“**EY**”) was appointed as the monitor (the “**Monitor**”) of the Applicants.
2. On April 11, 2019, a Termination and Bankruptcy Assignment Order was issued by Justice Wood approving the process by which the Applicants’ CCAA proceedings would transition to bankruptcy proceedings (the “**Bankruptcy Proceedings**”) under the *Bankruptcy and Insolvency Act* (the “**BIA**”).
3. On April 15, 2019, each of the Applicants were assigned into bankruptcy. EY consented to act as Trustee-in-Bankruptcy (the “**Trustee**”) of each bankrupt estate, which role was affirmed at the First Meeting of Creditors held on May 2, 2019.
4. On September 10, 2019, the Nova Scotia Court granted an order transferring the Bankruptcy Proceedings to the Ontario Superior Court of Justice (Commercial List). On September 24, 2019, the Office of the Superintendent of Bankruptcy issued revised certificates of appointment in respect of the Companies’ estates confirming the division and district of the Bankruptcy Proceedings had been transferred to Toronto, Ontario.
5. On September 17, 2019, the Trustee sought an Order in respect of its responsibilities regarding its communications with and activities involving various law enforcement

officials, regulatory agencies and tax authorities (collectively “**Law Enforcement**”). The Court issued an Order on September 17, 2019 authorizing the Trustee to cooperate with Law Enforcement and comply with production orders, summons and other demands (“**Production Demands**”) obtained by Law Enforcement (the “**Law Enforcement Order**”).

PURPOSE

6. The purpose of the Sixth Report of the Trustee (the “**Sixth Report**”) is to seek approval of this Court with respect to matters involving the production of information to Canada Revenue Agency (“**CRA**”).

TERMS OF REFERENCE

7. In preparing this Sixth Report, the Trustee has relied upon unaudited financial information, the Company’s limited books and records and financial information prepared by the Company (the “**Information**”). The Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants Canada Handbook*, and accordingly the Trustee expresses no opinion or other form of assurance in respect of the Information.
8. Except as otherwise stated, the Trustee’s understanding of factual matters expressed in this Report concerning the Companies and their business is based on the Information, and not independent factual determinations made by the Trustee.

9. The Trustee has relied upon the information available to it from Quadriga, its independent contractors and other parties with historical involvement with Quadriga. The Trustee has attempted to independently review and corroborate the information received where possible.
10. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND

11. The Third Report of the Trustee dated September 11, 2019 (the “**Third Report**”) set out in detail the various requests made of the Trustee by Law Enforcement and those requests were further discussed at the September 17, 2019 hearing. The Third Report noted that the Trustee had received a request for information from CRA and that it would further discuss that request with CRA and its counsel and return to Court for further direction if necessary.
12. The Third Report also set out the various Quadriga and third party sources of information in the Trustee’s possession including:
 - (a) Data obtained from the Quadriga platform;
 - (b) Documents obtained from former legal counsel to Quadriga;
 - (c) Documents and records obtained from third party payment processors and other cryptocurrency exchanges;
 - (d) Information recovered from electronic devices belonging to Gerald Cotten;

- (e) Emails stored by Fastmail, the Companies' email provider;
 - (f) Information provided by Quadriga's independent contractors and Ms. Robertson;
 - (g) Tax returns and other information obtained from CRA;
 - (h) Information produced by various financial institutions pursuant to the Asset Preservation Order; and
 - (i) Information provided by other third parties.
13. The Trustee highlighted for this Court that the information obtained included Affected Users' personal information. The Trustee also noted that some of the information was potentially subject to privilege considerations.
14. The Trustee set out for this Court the process it had commenced to collect and organize all of the documents in its possession into a single electronic database (the "**EDiscovery Database**") and to undertake a privilege review of those documents.
15. The Trustee also noted to the Court that while the process of responding to Production Demands from Law Enforcement would require significant effort and would involve the production of Affected Users' personal information as well as information obtained by various means, the Trustee was of the view that there appeared to be no legal basis upon which the Trustee could decline to respond to the Production Demands.
16. The Court issued the Law Enforcement Order authorizing the Trustee to cooperate with Law Enforcement and to produce information in its possession obtained from Quadriga and/or third parties, including documents or data containing personal information of Affected Users, to Law Enforcement subject to a Production Demand (as defined in the

Order). A copy of the Law Enforcement Order, together with the Court's endorsement (the "**Law Enforcement Endorsement**"), are attached at **Appendix "A"**.

17. As it relates to proposed production to CRA, Representative Counsel to the Affected Users raised certain concerns. As a result, the Law Enforcement Endorsement provided that "[p]rior to any compliance with a CRA Production Demand, the Trustee shall give Representative Counsel reasonable advance notice of its intent to comply to allow Representative Counsel an opportunity to apply to this Court to seek relief in respect of such Production Demand"

PRODUCTION EFFORTS TO DATE

18. As set out in the Trustee's Fifth Report, the Trustee has continued to work with its counsel to compile the EDiscovery Database and complete a privilege review of the documents. The EDiscovery Database currently contains approximately 750,000 individual documents.
19. In addition, the Trustee has since made production in respect of multiple Production Demands from Law Enforcement and otherwise cooperated with Law Enforcement. In order to streamline responses to Production Demands and minimize cost, in most cases, the Trustee has simply provided Law Enforcement with a copy of the entire EDiscovery Database, redacted only for privilege as opposed to responding to specific requests contained in the Production Demands.

CRA PRODUCTION DEMAND

20. As set out in the Third Report, the Trustee previously received a production request from CRA. The Trustee is of the view that the CRA demand properly constitutes a Production

Demand pursuant to the Law Enforcement Order and that it is appropriate for Trustee to respond to it. In accordance with the Law Enforcement Endorsement, the Trustee provided Representative Counsel with reasonable advance notice of its intention to comply with the Production Demand.

21. Following that notice, the Trustee has engaged in several conversations with Representative Counsel and CRA and its legal counsel in respect of the Production Demand. As result of those discussions, the CRA has issued a new Production Demand dated February 26, 2020 (the “**CRA Production Demand**”) pursuant to section 231.2 of the *Income Tax Act* which is attached at **Appendix “B”**.
22. The Trustee has advised CRA that the majority of the information requested in the CRA Production Demand simply does not exist or is not available to the Trustee given the issues identified by the Trustee with respect to the inability to locate any traditional books and records including accounting records maintained by Quadriga. Accordingly, the Trustee has advised CRA that its intention is to simply produce a copy of the full EDiscovery Database, redacted only for privilege, in response to the CRA Production Demand. For greater clarity, the EDiscovery Database includes personal information including account balances and transaction data of Affected Users which would be produced to CRA in accordance with the CRA Production Demand.
23. Based on the extensive discussions with Representative Counsel in respect of its proposed approach with respect to the CRA Production Demand, the Trustee understands that the Official Committee of Affected Users (the “**Official Committee**”) does not object to the production of the EDiscovery Database to CRA. However, Representative Counsel has advised the Trustee that the Official Committee seeks an order from this

Court confirming that it shall have no liability or obligation in connection with the production of Affected User data and information to CRA and that it continues to have the protections provided to it under the Representative Counsel Order dated February 28, 2019, which is attached as **Appendix “C”**.

CONCLUSION

24. For the reasons set out above, the Trustee respectfully requests that this Court issue an order authorizing the Trustee to respond to the CRA Production Demand and addressing the request of the Official Committee.

All of which is respectfully submitted this 24th day of March 2020.

ERNST & YOUNG INC.

Licensed Insolvency Trustee

acting in its capacity as Trustee in Bankruptcy
of Quadriga Fintech Solutions Corp., Whiteside Capital Corporation and
0984750 B.C. Ltd. and not in its personal capacity



Sharon S. Hamilton
Senior Vice President



George Kinsman
Senior Vice President

**IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA FINTECH
SOLUTIONS CORP., WHITESIDE CAPITAL CORPORATION AND
0984750 B.C. LTD. D/B/A QUADRIGA CX AND QUADRIGA COIN
EXCHANGE**

Court File No. & Estate No. CV-19-627184-00CL (31-
2560674)
CV-19-627185-00CL (31-2560984)
and CV-19-627186-00CL (31-2560986)

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

SIXTH REPORT OF THE TRUSTEE

STIKEMAN ELLIOTT LLP

Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Elizabeth Pillon LSO#: 35638M

Tel: (416) 869-5623

Email: lpillon@stikeman.com

Maria Konyukhova LSO#: 52880V

Tel: (416) 869-5230

Email: mkonyukhova@stikeman.com

Lee Nicholson LSO#: 66412I

Tel: (416) 869-5604

Email: leenicholson@stikeman.com

Fax: (416) 947-0866

**Lawyers for Ernst & Young Inc.,
Trustee-in-Bankruptcy**

APPENDIX “A”

Court File No. CV-19-627184-00CL
CV-19-627185-00CL
and CV-19-627186-00CL



**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)

Justice Hainey)

Tuesday, THE *17th*
DAY OF *September*, 2019

IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA FINTECH
SOLUTIONS CORP., WHITESIDE CAPITAL CORPORATION AND 0984750
B.C. LTD. D/B/A QUADRIGA CX AND QUADRIGA COIN EXCHANGE

ORDER

THIS MOTION, made by the Trustee, Ernst & Young Inc. (“**EY**”), in its capacity as the trustee in bankruptcy (the “**Trustee**”) of 0984750 B.C. Ltd. d/b/a Quadriga CX and Quadriga Coin Exchange (“**Quadriga**”), Quadriga Fintech Solutions Corp. (“**Fintech**”) and Whiteside Capital Corporation (“**Whiteside**”) (the “**Companies**”) under the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”), was heard on September 17, 2019 at the court house, 330 University Avenue, 9th Floor, Toronto, Ontario, M5G 1R7.

ON READING the materials filed and on hearing the submissions of the lawyer(s) for Trustee, Representative Counsel to the Affected Users (“**Representative Counsel**”) and other interested parties,

1. **THIS COURT ORDERS** that the Trustee is authorized and permitted to continue to cooperate with law enforcement officials, regulatory agencies and tax authorities in all jurisdictions in Canada in connection with any investigation by such officials or agencies.
2. **THIS COURT ORDERS** that, subject to the privilege of any person, and the Trustee's or Representative Counsel's right to apply to this Court for further directions, the Trustee is authorized and permitted to comply with i) any production order or summons issued by a Canadian federal or provincial regulator or law enforcement organization; ii) any production order, search warrant, general warrant or any other Order of any Court of competent jurisdiction in Canada; or iii) any formal request for information received from a tax authority in Canada (collectively, a "**Production Demand**").
3. **THIS COURT ORDERS** that in response to any such Production Demand, the Trustee is authorized to produce:
 - (i) material, documents or data in its possession obtained from Quadriga and / or third parties, however so obtained;
 - (ii) material, documents or data that contain any personal information including information relating to Affected Users notwithstanding any previous orders of the Nova Scotia Court with respect to confidentiality of Affected User information, as defined in the Representative Counsel Appointment Order dated February 28, 2019; and

(iii) material, documents or data obtained from the electronic devices in the possession of the Trustee which have been recovered from Quadriga and/or Cotten by the Monitor.

4. **THIS COURT ORDERS** that in response to a Production Demand, the Trustee is authorized and permitted to produce the physical electronic devices in the possession of the Trustee which have been recovered from Quadriga and/or Cotten by the Monitor to the Royal Canadian Mounted Police. For greater certainty, the Trustee shall not produce such electronic devices to any other law enforcement agency, regulator or tax authority, notwithstanding any Production Demand, but shall instead direct such parties to the Royal Canadian Mounted Police.
5. **THIS COURT ORDERS** that nothing in this order shall require the Trustee to produce any documents or data created by the Trustee.
6. **THIS COURT ORDERS** that the retainer of Lenczner Slaght as counsel to the Trustee retroactive to June 25, 2019 for the purposes of document production and related to the law enforcement, regulator and tax authority activities is hereby approved.
7. **THIS COURT ORDERS** that the Trustee is entitled to charge its fees and expenses and the fees and expenses of counsel to the Trustee to the bankruptcy estate with respect to law enforcement, regulator and tax authority activities. With respect to the fees and expenses incurred by the Trustee and its counsel related to law enforcement, regulator and tax authority activities in respect of which the Trustee is legally obligated to maintain confidentiality, or has received a reasonable request for confidentiality from a law enforcement agency, regulator or tax authority (the “**Confidential Activities**”):

(i) the Trustee shall redact all details with respect to time spent and provide Inspectors / Creditors / OSB or any other party only with a summary of total hours and total fees; and

(ii) the Trustee may present its fees and that of its counsel to the Inspectors for approval based upon the summary and redacted invoices, ~~or in the~~ *and* ~~alternative,~~ the Trustee ~~may~~ *shall* seek approval of the fees from this Court with detailed dockets under seal.

8. **THIS COURT ORDERS** that, except for in respect of Confidential Activities, the Trustee and its counsel shall seek approval of its fees and expenses in accordance with the procedures set out in the BIA.

9. **THIS COURT ORDERS** that nothing in this order or actions taken pursuant to this order shall constitute a waiver or otherwise interfere with any privilege of any person.

10. **THIS COURT ORDERS** that in addition to the rights and protections afforded to the Trustee under the BIA or as an officer of this Court, the Trustee shall incur no liability or obligation as a result of complying with any Production Demand from a law enforcement agency, regulator or tax authority, or the carrying out of the provisions of any such Production Demand, or the terms of this Order, except for gross negligence and wilful misconduct.

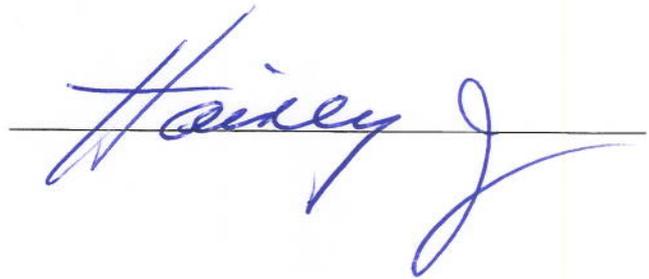
11. **THIS COURT ORDERS** that the Confidential Supplement to the Third Report of the Trustee shall be sealed and not form part of the public record.

12. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission.

 13. **THIS COURT ORDERS** that each of the Trustee and Representative Counsel shall be at liberty and are hereby authorized and empowered to apply to this Court for directions on carrying out the terms of this order, including to address any concerns related to the scope of any Production Demand. *or any law enforcement agency, regulator or tax authority*

14. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere, to give effect to this Order and to assist the Trustee and its respective agents and counsel in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Trustee in any foreign proceeding, or to assist the Trustee and its respective agents and counsel in carrying out the terms of this Order.

15. **THIS COURT ORDERS** that the Trustee be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

SEP 17 2019

PER / PAR: RW

IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA
FINTECH SOLUTIONS CORP., WHITESIDE CAPITAL
CORPORATION AND 0984750 B.C. LTD. D/B/A QUADRIGA CX
AND QUADRIGA COIN EXCHANGE

CV-19-627184-0066
CV-19-627186-0066
CV-19-627188-0066
Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF

PROCEEDING COMMENCED AT TORONTO

ORDER

**LENCZNER SLAGHT ROYCE
SMITH GRIFFIN LLP**

Barristers
Suite 2600
130 Adelaide Street West
Toronto ON M5H 3P5

Monique J. Jilesen (43092W)
mjilesen@litigate.com
Tel: (416) 865-2926

Christopher Yung (62082I)
cyung@litigate.com
Tel: (416) 865-2976
Fax: (416) 865-9010

Lawyers for the Trustee

STIKEMAN ELLIOTT LLP

Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Elizabeth Pillon LSO#: 35638M

Tel: (416) 869-5623

Email: lpillon@stikeman.com

Maria Konyukhova LSO#: 52880V

Tel: (416) 869-5230

Email: mkonyukhova@stikeman.com

Lee Nicholson LSO#: 66412I

Tel: (416) 869-5604

Email: leenicholson@stikeman.com

Fax: (416) 947-0866

Lawyers for the Trustee

COUNSEL SLIP

COURT FILE

NO.: CV-19-00627184-00CL

DATE: September 17, 2019

NO. ON LIST

2

TITLE OF
PROCEEDING

QUADRIGA FINTECH SOLUTIONS CORP.

COUNSEL FOR:

- PLAINTIFF(S)
- APPLICANT(S)
- PETITIONER(S)

Monique Jilesen
 Christopher Yung
 Lenczner
 Liz Pillon Stikeman

PHONE
 FAX
 EMAIL

416 865 2926
 416 865-9010
 mjilesen@litigate.com
 T 416 869 5623

COUNSEL FOR:

- DEFENDANT(S)
- RESPONDENT(S)

for Trustee EY

PHONE
 FAX
 EMAIL

C 416 9470866
 epillon@stikeman.com

(Shawn Hamilton, George Kinsman, EY, Trustee)

JUDICIAL NOTES:

Asim Iqbal, 416-597-6008, aigbal@millerthomson.com
 Greg Ayff, 416-597-2660, gregff@millerthomson.com,
~~Asim Iqbal~~

September 17, 2019

I am satisfied that the attached order should stand.
 In my view, it balances the Trustee's obligation to make production to law enforcement agencies with the rights of the affected assets in a cost

Efficient Homes.

The balance of the
endorsement is
attached.

Haring J

✓

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA FINTECH SOLUTIONS CORP.,
WHITESIDE CAPITAL CORPORATION AND 0984750 B.C. LTD. D/B/A QUADRIGA CX
AND QUADRIGA COIN EXCHANGE

ENDORSEMENT

~~Order to issue in the form attached to this endorsement.~~



In making this Order, I have not considered rights or defences that Affected Users may have at law or otherwise, including under the Charter, the Evidence Act or the Criminal Code. This Order should not be construed as a waiver of any such rights or defenses, if any, by Affected Users (or any one of them).

I am advised that the Trustee is in discussions with counsel for the CRA with respect to Production Demands made by the CRA. Prior to any compliance with a CRA Production Demand, the Trustee shall give Representative Counsel advance notice of its intent to comply to allow Representative Counsel an opportunity to apply to this Court to seek relief in respect of such Production Demand.

reasonable



September 17, 2019.

APPENDIX “B”



PROTECTED B

REQUIREMENT TO PROVIDE DOCUMENTS OR INFORMATION

February 26, 2020

0984750 B.C. Ltd (dba QuadrigaCX and Quadriga Coin Exchange)
c/o Ernst & Young Inc.
100 Adelaide Street W.,
Toronto, M5H OB3
Ontario, Canada

Attention: Sharon S Hamilton CPA, CA, CIRP, LIT, Senior Vice-President, Ernst & Young Inc.

Re: Requirement for information on 0984750 B.C. Ltd (dba QuadrigaCX and Quadriga Coin Exchange)
Business Number: 83249 6830 RC0001
Case number: 38452631

For purposes related to the administration or enforcement of the *Income Tax Act* and according to the provisions of subsection 231.2(1) of the Act, Ernst & Young Inc. is required to provide within **thirty (30) days** from the date of receipt of this requirement, the following documents and information for 0984750 B.C. Ltd (dba QuadrigaCX and Quadriga Coin Exchange), business number 83249 6830 RC0001, pertaining to the period from November 1, 2015 to October 31, 2018:

- 1) **Business financial records and documents for the taxation years ended in 2016 to 2018**
 - a) Complete annual financial statements with notes to financial statements.
 - b) Grouping schedules, lead sheets & accountant's working papers tying in the trial balances to the general ledger balances and to the financial statements.
 - c) All adjusting journal entries reconciling the trial balance to the financial statements.
 - d) General ledgers, sub-ledgers, and general journals.
 - e) Detailed year-end lists of:
 - i. Accounts receivables, including an aged listing.
 - ii. Amounts payable and accrued liabilities, including an aged listing.
 - iii. Long-term debt.
 - iv. Other long-term liabilities.

- v. Long-term obligations/commitments.
- vi. Due to shareholders/directors.

- f) Corporate tax returns and the related schedules.
- g) Tax working paper files (lead sheets) to support numbers on the tax schedules.
- h) Working paper files and grouping schedules from representative/accountant.
- i) Corporate organizational chart, executive and management organization chart.
- j) All business agreements and contract documents signed, including agreements signed with all the TPPs (Third Party Processors).
- k) Bank overdraft/loan agreements and loan account statements.
- l) Details of transactions recorded in the shareholder loan and director account.
- m) Details of revenue and the related records.
- n) Details of expenses including supporting documentation such as invoices/receipts.
- o) Corporate bank reconciliations and business banking records including:
 - i. Bank statements - all accounts.
 - ii. Cancelled cheques.
 - iii. Bank deposit books.
 - iv. All corporate credit card statements.

- p) All other documents used in preparing the financial statements and income tax returns.

2) Corporate legal records

We need to review minute books of QuadrigaCX and its related corporations. We require access to the corporate records, including but not limited to, the central security register, share certificates, cancelled share certificates, register of directors, directors' and/or shareholders' resolutions, minutes of directors' and/or shareholders' meetings, memorandum, notice of articles, and articles, and any other records required to be maintained according to the Business Corporations Act [SBC 2002]. If you do not have corporate records at your office, please provide the name, location and contact information of the person who has custody of the corporate records so we can arrange to review these records.

3) Other specific information/documents required

Information (including all electronic data) and documents available to Ernst & Young Inc. from QuadrigaCX, its related corporations, independent contractors and parties with historical involvement with QuadrigaCX. Please also provide all the data, working papers, analysis, information and supporting documentation assembled by Ernst & Young

Inc. in analyzing QuadrigaCX's business and affairs. PLEASE DO NOT INCLUDE CRYPTOCURRENCY PRIVATE KEYS.

We have identified the information and documentation requested as listed below based on review of the Monitor and Trustee Reports prepared by Ernst & Young Inc.

Information and documentation required including but not limited to the following:

3.1) Source data and reports/records

- a) QuadrigaCX's cryptocurrency operating platform raw database, including the Redis data.
- b) Information, data and files of Amazon Web Services Inc. ("AWS") accounts of QuadrigaCX in the name of the shareholder (refers to the late Gerald Cotten, unless specified otherwise), and all the other related and unrelated party.
- c) Initial investigative report prepared by the external consultant.
- d) Report for analysis of the contents of inventory of devices of the shareholder.
- e) E-mail and other communication records and analysis for QuadrigaCX, the shareholder, his spouse, and other parties involved.
- f) Reports of interview with Alex Hanin, the web developer of QuadrigaCX cryptocurrency exchange platform.

3.2) QuadrigaCX Exchange Platform

- a) Lists of accounts or wallet addresses maintained and reconciliations for all funds.
- b) Wallet analysis and addresses mapping.
- c) Wallet details and information for individual cryptocurrency transactions for transfer of cryptocurrency against public blockchain.
- d) Analysis and verification of wallet transactions (hot and cold wallets) for the shareholder and spouse.
- e) Fiat and cryptocurrency inventories between TPPs, bank accounts, wallet addresses and third party exchanges.
- f) Information (including date, amount, name of the competitor exchanges) and documents showing cryptocurrency transferred out of QuadrigaCX controlled wallets to accounts at competitor exchanges maintained in the shareholder's personal name.
- g) Full analysis and working papers for the platform transactional data, including analysis of QuadrigaCX's global withdrawal, funding, trade data and for the two competitor exchanges with accounts held in the name the shareholder/s – the "Exchange Accounts" and the third exchange account (the "Third Exchange") (an offshore exchange). Information required including:

- i. Cryptocurrency returned and not returned to QuadrigaCX.
- ii. Cryptocurrency transferred to wallet addresses controlled by the shareholder and to party/parties other than the shareholder.
- iii. Details and transactions in the margin account established by the shareholder that traded various cryptocurrencies.
- iv. Basis and amount of profit and/or loss resulted from the trading of cryptocurrency in the margin accounts.
- v. Details and data related to the liquidation of all of the bitcoin deposited in the account on the Third Exchange for the equivalent of approximately \$80,000,000 Canadian dollars.
- vi. Details for transactions entered into by two specific trading partners within the Third Exchange with the shareholder.
- vii. All other transactions involving the movement of cryptocurrency out of QuadrigaCX's wallets.

3.3) Fiat Transactions and Third Party Processors ("TPPs")

- a) Analysis of fiat transaction records from third party payment processors.
- b) Analysis of operating disbursements processed through the TPP accounts .
- c) TPPs' information including accounting records, bank account statements from various financial institutions involved with QuadrigaCX's business.
- d) Information of bank accounts, credit card accounts and other financial facilities (40 or more) in the names of the shareholder, his spouse, corporations controlled by them and unrelated parties that were used to process QuadrigaCX's fiat currency transactions.
- e) Information for bank accounts opened on behalf of QuadrigaCX by the TPPs that were frozen or closed by financial institutions.
- f) Details for transactions for transfer of fiat currency from QuadrigaCX to the shareholder and spouse.

3.4) Customers/Users

- a) Detailed information, data and analysis showing the determination of fiat and cryptocurrency owing to the users by QuadrigaCX, as follows:

	Bitcoin	Bitcoin Cash SV	Bitcoin Cash	Bitcoin Gold	Litecoin	Etherium	CDN Dollars	US Dollars
Units	26,295	9,621	10,233	25,489	122,743	89,924	\$66,959,075	\$5,469,882
Cdn Exchange (Feb 5, 2019)	\$4,550.25	\$80.55	\$153.88	\$12.58	\$44.95	\$140.62	\$1.00	\$1.31
CDN Equivalent	\$119,646,913	\$774,941	\$1,574,602	\$320,653	\$5,517,309	\$12,645,120	\$66,959,075	\$7,180,315
CDN Equivalent Fiat Holdings				\$74,139,390				
CDN Equivalent Cryptocurrency Holdings				\$140,479,538				
CDN Equivalent Total Holdings				\$214,618,928				

- b) Analysis and working papers for user specific transaction activities (for both fiat and cryptocurrency), including transaction fees charged.
- c) User deposit records on the Platform and the related supporting documentation uploaded by the users.
- d) Analysis and details of “cash transactions and deposits” recorded.

3.5) QuadrigaCX and the Users fund

- a) Details and supporting documents for the determination of potentially inappropriate use of users fund.

3.6) Identified Accounts

- a) Results, detailed analysis of account activities and supporting documents for the “Identified Accounts” (14 or more) controlled by the shareholder, including accounts maintained under various pseudonyms - Chris Markay, Aretwo Deetwo and Seethree Peaohh, etc.
- b) The shareholder Alias account withdrawal/deposit analysis, including fiat deposit analysis finalized.
- c) Crypto analysis of fake accounts.
- d) Chris Markay account analysis
Detailed blockchain analysis and supporting documents of Chris Markay cryptocurrency withdrawal values by year and by currency as follows:

Currency	2016	2017	2018	Total
Btc	6,753.11	4,972.48	6,087.54	17,813.13
Eth	402,749.17	602,482.22	68,573.33	1,073,804.72
Ltc	-	25,298.93	165,365.67	190,664.60
Bch	-	9,512.40	4,927.72	14,440.12
Btg	-	-	1,800.00	1,800.00
Etc	34,459.13	-	-	34,459.13

3.7) Financial statement information

- a) Complete information and supporting documents for the determination of:
- i. Fee revenues (for fiat and cryptocurrency) reported within the Platform for the period 2014 through 2019 as shown below.
 - ii. Adjustments made to remove fees earned on transactions processed through the Identified Accounts. Fiat fees (CDN and USD) have been adjusted to Canadian equivalent dollars and the cryptocurrency fees are reported in the currency earned.

	Currency	2014	2015	2016	2017	2018	2019	Total
Deposit Fees	CDN	\$3,138	\$46,500	\$116,380	\$5,677,680	\$4,606,313	\$29,822	\$10,479,833
Withdrawal Fees	CDN	-	\$6,713	\$109,085	\$1,537,760	\$2,402,319	\$5,323	\$4,061,200
Trade Fees	CDN	\$13,304	\$130,807	\$286,168	\$9,546,762	\$8,396,152	\$89,620	\$18,462,813
		\$16,442	\$184,020	\$511,633	\$16,762,202	\$15,404,784	\$124,765	\$33,003,846

	Currency	2014	2015	2016	2017	2018	2019	Total
Trade Fees	BTC	37	338	344	870	429	12	2,030
	ETH			1,564	9,618	3,050	131	14,363
	LTC				6,640	4,393	119	11,152
	BCH				587	206	10	803
	BTG				156	469	48	673
	BSG					25	5	30

- b) TPP fees and expenses paid to two of the TPPs between 2017 and 2018 in the amount of \$11.8 million.
- c) Ethereum Classic splitter contract loss of 67,000 Ethereum (approximately \$13 million at the time of the loss) associated with an Ethereum Classic splitter contract, please also provide the contract.
- d) Records, information and amounts related to:
- i. Operating costs including legal fees, independent contractor fees, general operating costs including technology services and AWS server fees.
 - ii. Amounts paid or transferred to the shareholder, his spouse and related parties.
 - iii. Fees and trading losses associated with cryptocurrency transferred to external exchanges including cryptocurrency transition sites; and
 - iv. Fees and trading losses associated with margin accounts.

The above list of documents should not be considered exhaustive. We, subsequent to the commencement of our audit, may request further documentation and/or information. The required information above may include documents and information relating to a third party not identified in the subject line above. The documents and information are sought for purposes of the audit of 0984750 B.C. Ltd (dba QuadrigaCX and Quadriga Coin Exchange) and are required as part of the broad powers of the Minister of National Revenue under section 231.2 of the Act. These powers have been confirmed by the Federal Court of Appeal and the Supreme Court of Canada.

To comply with this requirement, please call the auditor, XXXXXXXXXXXXX, within the time specified above to arrange a date and time to make available the documents and information required. Our Computer Audit Specialist can arrange for the transfer of a copy of the QuadrigaCX platform data and the accounting data assembled. You may also reach the auditor's team leader, XXXXXXXXXXXXX.

If you do not comply with this requirement, the Canada Revenue Agency may initiate legal proceedings against you for a compliance order under section 231.7 of the Act. If you do not comply with the compliance order, you could be held in contempt of court.

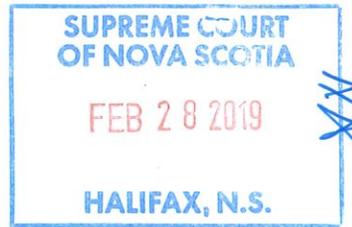
Sincerely,

XXXXXXXXXX
Manager, Audit
Tax Services Office: XXXXXXXXXXXXX
Fax: XXXXXXXXXXXXX
Address: XXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXX
Website: canada.ca/revenue-agency

REGISTERED

APPENDIX “C”

2019



Hfx No. 484742

IN THE SUPREME COURT OF NOVA SCOTIA

IN THE MATTER OF:

Application by Quadriga Fintech Solutions Corp., Whiteside Capital Corporation and 0984750 B.C. Ltd. d/b/a Quadriga CX and Quadriga Coin Exchange (collectively referred to as the “**Companies**” and the “**Applicants**”), for relief under the *Companies’ Creditors Arrangement Act*



**ORDER
(Representative Counsel Appointment Order)**

BEFORE THE HONOURABLE JUSTICE MICHAEL J. WOOD

UPON MOTION, in the proceedings of Quadriga Fintech Solutions Corp., Whiteside Capital Corporation, and 0984750 B.C. Ltd. dba Quadriga CX and Quadriga Coin Exchange (collectively, the “**Applicants**”), under the *Companies’ Creditors Arrangement Act* (the “**CCAA Proceedings**”), by certain of the users of the Quadriga platform holding significant balances in their personal accounts, representing obligations payable in the form of: (i) cash obligations; and (ii) obligations to hold cryptocurrency coins (the “**Affected Users**”) for an order, among other things, appointing counsel to represent the interests of the Affected Users and establishing an official committee of Affected Users;

UPON READING the Affidavit of Xitong Zou sworn February 4, 2019, the Affidavit of Amanda McLachlan sworn February 11, 2019, the Affidavit of Parham Pakjou sworn February 7, 2019, the Affidavit of Giuseppe Burtini sworn February 8, 2019, the Affidavit of Ryan Kneer sworn February 8, 2019, the Affidavit of Richard Kagerer sworn February 11, 2019, and the First Report of Ernst & Young Inc., in its capacity as Court-appointed Monitor of the Applicants (the “**Monitor**”);

AND UPON HEARING counsel to the Applicants, counsel for the Monitor, Bennett Jones LLP and McInnes Cooper, Miller Thomson LLP and Cox & Palmer, and Osler, Hoskin & Harcourt LLP and Patterson Law, each as proposed representative counsel for the Affected Users and such other individuals who appeared and were heard on the Motion;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. If necessary, the service of the Notice of Motion, the Motion Record and supporting documents are hereby abridged and service is hereby deemed adequate notice so that the Motion is properly returnable today and further service thereof is hereby dispensed with.
2. Miller Thomson LLP, as lead counsel, and Cox & Palmer, as local counsel, are hereby appointed as representative counsel (collectively, "**Representative Counsel**") to represent the interests of the Affected Users (the "**Purpose**") by discharging the following duties and activities:
 - (a) communicating with the Official Committee of Affected Users and the Affected Users regarding the CCAA Proceedings through any medium of communication in Representative Counsel's discretion, including, the establishment of a website located at www.millerthomson.com/en/quadriga (the "**Representative Counsel's Website**"), conference calls, email, Reddit, or other form of electronic communication;
 - (b) communicating and liaising with the Applicants, the Monitor or other third parties (as the case may be) in respect of the CCAA Proceedings and the interests of Affected Users therein;
 - (c) representing and advocating for the interests of Affected Users (other than Opt-out Individuals), including, Affected Users' privacy interests, preparing court materials and attending any court hearings in respect of these CCAA Proceedings, negotiating and commenting on behalf of Affected Users on any plan of arrangement of the Applicants, and representing and assisting Affected Users (other than Opt-out Individuals) in any claims process commenced by the Applicants;
 - (d) identifying potential conflicts of interest among Affected Users and taking any steps necessary to address such conflicts of interest; and
 - (e) such other activities and duties that ancillary to the Purpose, with the consent of the Monitor or as otherwise ordered by this Court.
3. Without a further Order of this Court, the following activities are not consistent with the Purpose:
 - (a) undertaking an independent investigation with respect to the Applicants and their assets; and
 - (b) commencing legal proceedings against the Applicants' directors and officers. For greater certainty, Representative Counsel may, subject to receiving instructions from the Official Committee of Affected Users and the appropriateness thereof, oppose any relief sought within these CCAA Proceedings.

4. Representative Counsel shall not be required to perform or complete any instruction, activity or duty unless, in the Representative Counsel's view, such activity or duty is consistent with or ancillary to the Purpose. Representative Counsel shall have no obligation to consult with, follow the instructions of, or provide an opinion to any individual Affected User in connection with the discharge of its mandate under this Order.
5. A committee of Affected Users (the "**Official Committee of Affected Users**"), comprised of a minimum of five (5), and no more than seven (7), individuals holding claims against the Applicants (the "**Committee Members**") shall be determined by Representative Counsel, in consultation with the Monitor, to act as representatives of all Affected Users (excluding Opt-Out Individuals (as defined below), if any) in the CCAA Proceedings, to act in the overall best interests of the Affected Users, and to advise and where appropriate instruct Representative Counsel. Representative Counsel may rely upon the advice and instructions received from the Official Committee of Affected Users in carrying out the mandate of the Representative Counsel without further communication with or instructions from Affected Users, except as may be recommended by Representative Counsel or ordered by this Court.
6. The Representative Counsel and Monitor are directed to make best efforts to appoint at least five (5) Committee Members to the Official Committee of Affected Users without delay. Prior to the appointment of the Official Committee of Affected Users, Representative Counsel is hereby authorized to take steps or actions on behalf of the Affected Users consistent with the Purpose in their sole discretion and without instruction from the Official Committee of Affected Users or any Committee Members.
7. The Committee Members shall be identified to the Court by the Monitor as soon as practicable following the selection of the Committee Members by Representative Counsel, in consultation with the Monitor, and such report shall be posted on the Monitor's case website located at www.ey.com/ca/quadrige (the "**Monitor's Website**").
8. Any Committee Member may resign from the Official Committee of Affected Users by giving seven (7) calendar days' notice to Representative Counsel. In consultation with the Monitor, Representative Counsel shall select a replacement Committee Member following any such resignation. If the number of Committee Members falls below five (5) due to resignations or otherwise, Representative Counsel may continue to receive instruction from the remaining Committee Members.
9. Subject to the provisions of this Order or any further Order of this Court, the Official Committee of Affected Users shall establish procedures with Representative Counsel for its own governance, including, procedures for instructing Representative Counsel and for the removal and addition of Committee Members provided that any addition of new Committee Members shall be determined in consultation with the Monitor.
10. With the exception of Opt-Out Individuals, (a) the Official Committee of Affected Users and Representative Counsel shall represent all Affected Users in the CCAA Proceedings; (b) the Affected Users shall be bound by the actions of the Official Committee of

Affected Users and Representative Counsel in the CCAA Proceedings; and (c) the Official Committee of Affected Users shall be entitled, on advice of Representative Counsel, to reach any settlement agreements, advocate on behalf of the Affected Users and compromise any rights, entitlements or claims of the Affected Users, subject to approval of the Court.

11. The Applicants shall provide to Representative Counsel, subject to confidentiality arrangements satisfactory to the Applicants and the Monitor, each acting reasonably, without charge, in machine-readable format, the names, last known addresses and last known email addresses (if any) of all the Affected Users (the “**Affected User Information**”), excluding Opt-Out Individuals, if any, who have opted out prior to delivery of the Affected User Information. The Affected User Information shall be kept confidential by Representative Counsel and shall not be disclosed to any other person, including the Official Committee of Affected Users and the Committee Members, unless ordered otherwise by the Court.
12. Subject to confidentiality arrangements satisfactory to the Applicants and the Monitor, each acting reasonably, and any claim of privilege by the Applicants or the Monitor, the Applicants and the Monitor have the obligation to provide Representative Counsel with such documents and data as may be reasonably relevant to matters relating to the issues affecting the Affected Users in the CCAA Proceedings (the “**Information**”), without charge.
13. The provision of the Information to the Representative Counsel pursuant to paragraph 12 of this Order constitutes a limited waiver of any applicable privilege which may attach to the Information in respect of the Representative Counsel only (the “**Limited Waiver**”).
14. The Limited Waiver is solely for the purpose of permitting the Representative Counsel to access the Information and for no other purpose.
15. The Limited Waiver applies only in respect of the Representative Counsel and shall under no circumstances be extended to, or apply to any other person or for any other purpose, and any privilege of the Monitor and any persons attaching to the Information is expressly confirmed and preserved as against any other persons and for any other purpose.
16. In providing the Affected User Information and the Information, the Applicants are not required to obtain express consent from such Affected Users authorizing disclosure of the Affected User Information or the Information to Representative Counsel and, further, in accordance with section 7(3) of the *Personal Information Protection and Electronic Documents Act*, this Order shall be sufficient to authorize the disclosure of the Affected User Information or the Information, without knowledge or consent of the individual Affected Users. The Affected User Information and Information shall only be used for the Purpose in the CCAA Proceedings and for no other or improper purpose.
17. Notice of the granting of this Order substantially in the form attached hereto as Schedule “A” (“**Notice**”) shall hereby be:

- (a) posted by the Monitor or the Applicants on (i) the Monitor's Website; (ii) the Applicants' website located at www.quadrigacx.com; and (iii) the Applicants' subreddit located at www.reddit.com/r/quadrigacx, in each case, within two (2) business days of the date of this Order;
 - (b) published by the Monitor, in the Globe and Mail, within seven (7) calendar days of the date of this Order; and
 - (c) sent by the Monitor to Affected Users who have claims against the Applicants in excess of \$1,000 according to the Applicants' books and records via email at the last known email addresses for such Affected Users in the Applicants' books and records, within seven (7) calendar days of the date of this Order.
18. Any individual Affected User who does not wish to be represented by Representative Counsel and the Official Committee of Affected Users shall, within sixty (60) calendar days of the date of this Order, notify the Monitor, in writing, that he or she is opting out of representation by the Official Committee of Affected Users and Representative Counsel by delivering to the Monitor an English or French opt-out notice substantially in the form attached hereto as Schedule "B" (each an "**Opt-Out Notice**"), and shall thereafter not be bound by the actions of the Official Committee of Affected Users or Representative Counsel and shall represent himself or herself or be represented by any counsel that he or she may retain exclusively at his or her own expense in the CCAA Proceedings (any such persons who deliver an Opt-Out Notice in compliance with the terms of this paragraph, "**Opt-Out Individuals**"). The Monitor shall keep confidential the identity of the Opt-Out Individuals but shall deliver copies of all Opt-Out Notices received to counsel for the Applicants and Representative Counsel as soon as practicable following receipt of the Opt-Out Notices. In accordance with section 7(3) of the *Personal Information Protection and Electronic Documents Act*, this Order shall be sufficient to authorize the disclosure of the Opt-Out Notices to counsel for the Applicants and Representative Counsel, without knowledge or consent of the Opt-Out Individuals. For greater certainty, the Official Committee of Affected Users and Representative Counsel have no obligation to represent the interests of the Opt-Out Individuals.
19. The form of Opt-Out Notice shall be posted by the Monitor or the Applicants on (i) the Monitor's Website; (ii) the Applicants' website located at www.quadrigacx.com; (iii) the Representative Counsel's Website located at www.millerthomson.com/en/quadrigacx and (iii) Applicants' subreddit located at www.reddit.com/r/quadrigacx, in each case, within two (2) business days of the date of this Order.
20. All written notices required to be given to the Monitor and/or Representative Counsel shall be given by hand delivery, courier or email as follows:
- (b) to the Monitor:
 - Ernst & Young Inc.
 - Court-appointed Monitor of the Applicants
 - RBC Waterside Centre

1871 Hollis Street Suite 500
 Halifax, Nova Scotia B3J 0C3
 Attn: George Kinsman
 Email: george.c.kinsman@ca.ey.com

with a copy to:

Stikeman Elliot LLP
 5300 Commerce Court West
 199 Bay Street
 Toronto, ON M5L 1B9

Attn: Liz Pillon / Lee Nicholson
 Email: lpillon@stikeman.com / leenicholson@stikeman.com

(c) to Representative Counsel:

Miller Thomson LLP
 Scotia Plaza
 40 King Street West, Suite 5800
 P.O. Box 1011
 Toronto, ON M5H 3S1

Attn: Asim Iqbal / Greg Azeff
 Email: aiqbal@millerthomson.com / gazeff@millerthomson.com

21. Representative Counsel shall be given notice of all motions in these CCAA Proceedings and notice of any motion provided to Representative Counsel shall be deemed to be notice to all of the Affected Users except for the Opt-Out Individuals.
22. With the consent of the Monitor or further order of the Court, the Official Committee of Affected Users and Representative Counsel may retain advisors, experts and consultants (“**Advisors**”) to provide advice to and to assist the Official Committee of Affected Users and Representative Counsel in the exercise of their duties in relation to the Purpose.
23. Subject to funding being available in the Disbursement Account (as defined in the Initial Order of Justice Wood dated February 5, 2019 (the “**Initial Order**”), and without prejudice to any claim of Representative Counsel against the Applicants and their property for unpaid fees and disbursements, Representative Counsel shall be paid its reasonable and documented fees and disbursements (including disbursements relating to Advisors retained by Representative Counsel) by the Applicants to an aggregate maximum of \$250,000, excluding disbursements (the “**Initial Fee Cap**”), which shall subject to adjustments in accordance with paragraph 24 of this Order. Representative Counsel shall be paid on a weekly or bi-weekly basis upon rendering its accounts to the Monitor for fulfilling its mandate in accordance with this Order, and subject to such redactions to the invoices as are necessary to maintain solicitor-client privilege between Representative Counsel and the Official Committee of Affected Users. Representative Counsel or the Monitor are at liberty to bring another motion before the Court at any time

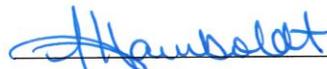
to seek any amendment or modification to the funding arrangements set forth in this Order. In the event of any disagreement with respect to such fees and disbursements, such disagreement may be remitted to this Court for determination.

24. In consultation with the Monitor, Representative Counsel shall prepare a budget from time to time (or as requested by the Monitor or directed by this Court) for anticipated fees and disbursements (the “**Budget**”), and, as necessary or desirable, the Budget shall be provided to the Monitor and the Court for the purpose of determining whether the Initial Fee Cap or other funding arrangements should be amended or modified. A motion for the modification of the Initial Fee Cap may be conducted by way of teleconference on seven (7) calendar days’ notice to the Service List.
25. Nothing contained in this Order shall require Representative Counsel to incur any disbursement unless Representative Counsel is satisfied that funds are available for reimbursement of the same.
26. Representative Counsel shall pass their accounts from time to time before a judge of the Court or a referee appointed by a judge of the Court.
27. Representative Counsel shall be entitled to the benefit of the Administration Charge (as defined in the Initial Order) and shall rank *pro-rata* with the other beneficiaries of the Administrative Charge.
28. Payments made by the Applicants pursuant to this Order do not and will not constitute preferences, fraudulent conveyances, transfers of undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable laws.
29. Representative Counsel and the Official Committee of Affected Users are hereby authorized to take all steps and do all acts necessary or desirable to carry out the terms of this Order, including, posting relevant non-confidential information and documents to the Representative Counsel’s Website for the Affected Users.
30. The Applicants, the Monitor and Representative Counsel shall be at liberty, and are hereby authorized, at any time, to apply to this Court for advice and directions in respect of the fulfillment and scope of the duties of Representative Counsel under the provisions of this Order or any variation of the powers and duties of Representative Counsel under this Order, which shall be brought on notice to the Applicants, the Monitor, Representative Counsel and other interested parties listed on the service list posted on the Monitor’s Website, unless this Court orders otherwise.
31. Representative Counsel and the Committee Members shall have no personal liability or obligations as a result of the performance of their duties in carrying out the provisions of this Order and any subsequent orders of the Court in the CCAA Proceedings, save and except for liability arising out of negligence or actionable misconduct.
32. No action or other proceeding may be commenced against Representative Counsel or the Official Committee of Affected Users in respect of the performance of their duties under this Order without leave of this Court on seven (7) calendar days’ notice to the

Applicants, the Monitor, Representative Counsel and the Official Committee of Affected Users.

33. The aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States is requested to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
34. Costs to the Representative Counsel for the motion to appoint representative counsel shall be fixed at \$25,000 plus disbursements and applicable taxes and shall not form part of the fees and disbursements addressed under the Initial Fee Cap.
35. This Order and all of its provisions are effective as of 12:01 a.m. Atlantic Standard Time on the 19th day of February, 2019. For greater certainty, any timelines set out in this Order by when actions or notices must be performed or delivered shall commence from the date that this Order is issued.

Issued at Halifax, Province of Nova Scotia, this 28 day of February, 2019.


AMANDA HAWBOLDT
Deputy Prothonotary

SCHEDULE "A"

NOTICE OF REPRESENTATIVE COUNSEL ORDER

QUADRIGA FINTECH SOLUTIONS CORP., WHITESIDE CAPITAL CORPORATION,
AND 0984750 B.C. LTD. D/B/A QUADRIGA CX AND QUADRIGA COIN EXCHANGE
(COLLECTIVELY, THE "APPLICANTS")

NOTICE TO AFFECTED USERS:

On February 5, 2019, the Applicants commenced proceedings under the *Companies' Creditors Arrangement Act* ("CCAA") pursuant to an Order (the "**Initial Order**") of the Supreme Court of Nova Scotia (the "**Court**"). Ernst & Young Inc. has been appointed by the Court as monitor in the Applicants' CCAA proceedings (the "**Monitor**").

TAKE NOTICE THAT, pursuant to an Order of the Court, Miller Thomson LLP, as lead counsel, and Cox & Palmer, as local counsel (collectively, "**Representative Counsel**"), were appointed as representative counsel to represent the interests of users of the Applicants' cryptocurrency exchange platform (the "**Affected Users**") in the CCAA proceedings.

IF YOU WISH TO SERVE on the committee of Affected Users (the "**Official Committee of Affected Users**") which will provide information to and instruct Representative Counsel in connection with the CCAA proceedings, please deliver a package containing (i) your name and address; (ii) your client-ID for the Applicants' cryptocurrency exchange platform (iii) the amount of your claim against the Applicants, (iv) the nature of such claim (fiat currency, cryptocurrency, "pending" withdrawal and/or "completed" withdrawal) owed to you by the Applicants; (v) a statement of no more than 200 words expressing your interest in becoming a Committee Member and summarizing your qualifications; and (vi) your resume or PDF copy of your LinkedIn profile, and (vii) such other information or documentation as may be requested by Representative Counsel or the Monitor, to Representative Counsel by email at CommitteeApplications@millerthomson.com by ●, 2019. **IF YOU SERVE ON THE OFFICIAL COMMITTEE OF AFFECTED USERS YOUR NAME WILL BE PUBLICALLY IDENTIFIED TO THE COURT AND OTHER AFFECTED USERS.** Service on the Official Committee of Affected Users will also be a significant time commitment.

IF YOU DO NOT WISH TO BE REPRESENTED by Representative Counsel and the Official Committee of Affected Users, you must, before ●, 2019, provide an Opt-Out Notice (a copy of which can be obtained from the Monitor's website located at www.ey.com/ca/quadriga) indicating that you wish to opt-out of such representation and send the completed Opt-Out Notice to:

To the Monitor:

Ernst & Young Inc. acting in its capacity
as Court-appointed Monitor of the
Applicants

RBC Waterside Centre
1871 Hollis Street Suite 500
Halifax, Nova Scotia B3J 0C3

Fax: 902-420-0503

With a copy to Representative Counsel:

Miller Thomson LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, ON M5H 3S1

Attn: Asim Iqbal / Greg Azeff
Email: quadrigaCX@millerthomson.com

Email: quadriga.monitor@ca.ey.com

Persons requiring further information should review the website established by the Monitor at www.ey.com/ca/quadriga or email the Monitor at quadriga.monitor@ca.ey.com.

SCHEDULE "B"

OPT-OUT NOTICE

QUADRIGA FINTECH SOLUTIONS CORP., WHITESIDE CAPITAL CORPORATION,
AND 0984750 B.C. LTD. D/B/A QUADRIGA CX AND QUADRIGA COIN EXCHANGE
(COLLECTIVELY, THE "APPLICANTS")

TO: Ernst & Young Inc. acting in its capacity as Court-appointed Monitor of Quadriga
Fintech Solutions Corp., Whiteside Capital Corporation and 0984750 B.C. Ltd.
RBC Waterside Centre
1871 Hollis Street Suite 500
Halifax, Nova Scotia B3J 0C3

Fax: 902-420-0503
Email: quadriga.monitor@ca.ey.com

I hereby provide written notice that I do not wish to be represented by Miller Thomson LLP and Cox & Palmer, representative counsel ("**Representative Counsel**") for users of the Applicants' cryptocurrency exchange platform (the "**Affected Users**") in their proceedings under the *Companies' Creditors Arrangement Act* before the Supreme Court of Nova Scotia (the "**CCAA Proceedings**"). I understand that, by opting out of representation, if I wish to take part in the CCAA Proceedings, I would need to do so as an independent party. I am responsible for retaining my own legal counsel should I choose to do so, and that I would be personally liable for the costs of my own legal representation.

I understand that a copy of this Opt-Out Notice will be provided to the Representative Counsel and to the Applicants.

Date

Signature

Name (please print):

Address:

Telephone:

E-mail

TAB 3

Court File No. & Estate No. CV-19-627184-00CL (31-2560674)
CV-19-627185-00CL (31-2560984)
and CV-19-627186-00CL (31-2560986)

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.)
JUSTICE HAINEY)
TUESDAY, THE 14th
DAY OF APRIL, 2020

IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA FINTECH
SOLUTIONS CORP., WHITESIDE CAPITAL CORPORATION AND 0984750
B.C. LTD. D/B/A QUADRIGA CX AND QUADRIGA COIN EXCHANGE

**ORDER
(Re: CRA Production Demand)**

THIS MOTION, made by the Trustee, Ernst & Young Inc., in its capacity as the trustee-in-bankruptcy (the “**Trustee**”) of 0984750 B.C. Ltd. d/b/a Quadriga CX and Quadriga Coin Exchange, Quadriga Fintech Solutions Corp. and Whiteside Capital Corporation (collectively, the “**Companies**”) under the *Bankruptcy and Insolvency Act* RSC 1985, c B-3 (“**BIA**”), for an order (the “**CRA Production Order**”), *inter alia*, authorizing the Trustee to comply with a production request from the Canada Revenue Agency (“**CRA**”) was heard on April 14, 2020 via teleconference.

ON READING the Notice of Motion dated March 24, 2020, the Sixth Report of the Trustee dated March 24, 2020 (the “**Sixth Report**”), and on hearing the submissions of the lawyers for the Trustee, Representative Counsel, CRA and other interested parties, no one appearing for any other party although duly served as appears from the affidavit of service of Lee Nicholson.

CRA PRODUCTION DEMAND

1. **THIS COURT ORDERS** that the Trustee is hereby authorized and permitted to comply with the CRA Production Demand (as defined in the Sixth Report) pursuant to and in accordance with the Order of this Court dated September 17, 2019 (the “**Law Enforcement Order**”). Production in accordance with the Law Enforcement Order shall constitute a complete response and no further steps or analysis shall be required to be undertaken by the Trustee.

TRUSTEE AND REPRESENTATIVE COUNSEL PROTECTIONS

2. **THIS COURT ORDERS** that the Trustee shall enjoy all the rights and protections afforded to the Trustee under the BIA, the Law Enforcement Order and other Orders issued in these proceedings in complying with the CRA Production Demand.

3. **THIS COURT ORDERS** that Representative Counsel and the Official Committee of Affected Users (each as defined in the Order of the Nova Scotia Supreme Court dated February 28, 2019 (the “**Representative Counsel Order**”) shall incur no liability or obligation as a result of the CRA Production Demand or the Trustee complying with the CRA Production Demand, and Representative Counsel and the Official Committee of Affected Users shall continue to have all the rights and protections afforded to Representative Counsel and the Official Committee of Affected Users under the Representative Counsel Order and other Orders issued in these proceedings.

GENERAL

4. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere, to

give effect to this CRA Production Order and to assist the Trustee and its respective agents and counsel in carrying out the terms of this CRA Production Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this CRA Production Order, to grant representative status to the Trustee in any foreign proceeding, or to assist the Trustee and its respective agents and counsel in carrying out the terms of this CRA Production Order.

**IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA FINTECH SOLUTIONS
CORP., WHITESIDE CAPITAL CORPORATION AND 0984750 B.C. LTD. D/B/A
QUADRIGA CX AND QUADRIGA COIN EXCHANGE**

Court File No. & Estate No. CV-19-627184-00CL
(31-2560674)
CV-19-627185-00CL (31-2560984)
and CV-19-627186-00CL (31-2560986)

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER
(RE: CRA PRODUCTION DEMAND)**

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Elizabeth Pillon LSO#: 35638M
Tel: (416) 869-5623
Email: lpillon@stikeman.com

Maria Konyukhova LSO#: 52880V
Tel: (416) 869-5230
Email: mkonyukhova@stikeman.com

Lee Nicholson LSO#: 66412I
Tel: (416) 869-5604
E-mail: leenicholson@stikeman.com
Fax: (416) 947-0866

**Lawyers for Ernst & Young Inc.,
Trustee-in-Bankruptcy**

**IN THE MATTER OF THE BANKRUPTCY OF QUADRIGA FINTECH
SOLUTIONS CORP., WHITESIDE CAPITAL CORPORATION AND 0984750
B.C. LTD. D/B/A QUADRIGA CX AND QUADRIGA COIN EXCHANGE**

Court File No. & Estate No. CV-19-627184-00CL (31-2560674)
CV-19-627185-00CL (31-2560984)
and CV-19-627186-00CL (31-2560986)

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**MOTION RECORD
(RE: CRA Production Demand)
(Returnable April 14, 2020)**

STIKEMAN ELLIOTT LLP

Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Elizabeth Pillon LSO#: 35638M
Tel: (416) 869-5623
Email: lpillon@stikeman.com

Maria Konyukhova LSO#: 52880V
Tel: (416) 869-5230
Email: mkonyukhova@stikeman.com

Lee Nicholson LSO#: 66412I
Tel: (416) 869-5604
E-mail: leenicholson@stikeman.com
Fax: (416) 947-0866

**Lawyers for Ernst & Young Inc.,
Trustee-in-Bankruptcy**