



Affected Users:

The purpose of this communication is to provide you with (i) a summary of the Supreme Court of Nova Scotia (the “**Court**”)’s April 8, 2019 proceeding, and (ii) a warning relating to “phishing” websites that we understand may be targeting Affected Users.

Summary of Supreme Court of Nova Scotia Proceedings

On April 8, 2019, Justice Wood heard five motions pertaining to the Quadriga CX Matter:

- A motion by Stewart McKelvey LLP to be removed as counsel to the Applicants. This Order was granted.
- Three motions by Ernst & Young (the “**Monitor**”), which pertained to the following issues:
 - A form of preservation of assets order to freeze the assets of Jennifer Robertson and Gerald Cotton’s estate and certain related companies. The Court granted this order.
 - Assistance and requested relief with respect to the Third Party Payment Processors. Certain of these Orders were granted and others adjourned to April 18, 2019, which is further discussed below.
 - The termination of the CCAA Proceedings and a transition into Bankruptcy. This Order was granted.
- A motion by Representative Counsel on behalf of the Official Committee of Affected Users regarding fees during the CCAA proceeding and the transition into bankruptcy. This order was granted.

More on the Third Party Payment Processors’ Order:

Concerns were expressed by counsel for certain of the Third Party Processors about the timing of the notice from the Monitor for the Third Party Payment Processors’ Order. These concerns were addressed by the Monitor’s counsel in her submissions. Counsel for the Monitor and the attending Third Party Payment Processors agreed to further discuss the language in the draft orders. If agreements could not be reached as to language changes, Justice Wood stated that he would issue all orders on April 18.

Counsel for POSConnect Inc. consented to provide George Kinsman (from the Monitor) access to POSConnect Inc., subject to certain conditions.

Ms. Pillon also discussed the Monitor’s further efforts to contact and serve various Third Party Payment Processors, such as WB21 and 9133-8079 Quebec Inc. (d/b/a Alto Bureau de Change).

Copies of all of the issued and entered Orders will be available on the Monitor’s website located [here](#).

“Phishing” Websites

Representative Counsel has been notified of websites selling asset recovery services to Affected Users. Representative Counsel is not associated with these websites and does not endorse the use of their services. We advise you not to trust any website claiming that they can recover money for Affected Users and requesting your personal information.

Representative Counsel is currently working on a tip sheet to address Affected Users’ privacy concerns, which will be posted to Representative Counsel’s website.

Additional Information

The Representative Counsel’s website can be found [here](#).

The Official Committee (@QCXCommittee) can be found on Twitter [here](#).

In consultation with the Official Committee, Representative Counsel has posted an updated FAQ on April 9, 2019 to answer Affected Users’ inquiries as collated by the Official Committee. The updated FAQ can be found [here](#).

Representative Counsel has received from the Monitor a full list of Affected Users, including their contact information and Quadriga CX customer IDs. Any further questions regarding the proceeding can be directed to Representative Counsel at quadrigacx@millerthomson.com.



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