

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.

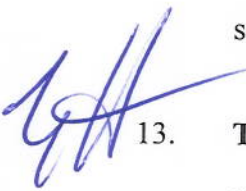
9. **THIS COURT ORDERS** that nothing in this order or actions taken pursuant to this order shall constitute a waiver or otherwise interfere with any privilege of any person.

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.

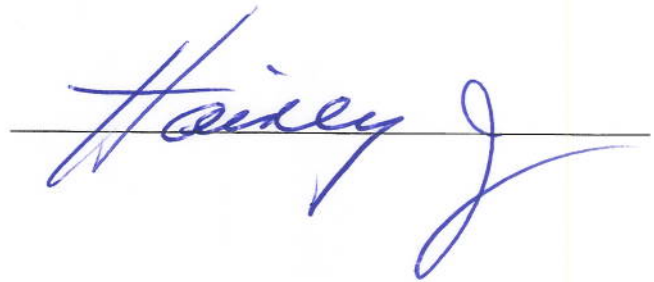
12. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) 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.

or any law enforcement agency, regulator or tax authority

 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.

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

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CV-19-627188-0066
Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF

PROCEEDING COMMENCED AT TORONTO

ORDER

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