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**
**(Re Ancillary Termination and Bankruptcy Assignment Order)**

**BEFORE THE HONOURABLE CHIEF JUSTICE MICHAEL J. WOOD**

**UPON MOTION**, in the proceedings of Quadriga Fintech Solutions Corp. ("**Fintech**"), Whiteside Capital Corporation ("**Whiteside**"), and 0984750 B.C. Ltd. dba Quadriga CX ("**Quadriga**") and Quadriga Coin Exchange ("**Exchange**") under the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**"), by Ernst & Young Inc. ("**EY**"), in its capacity as Court-appointed Monitor of the Applicants (the "**Monitor**");

**UPON READING** the Fourth Report of the Monitor dated April 1, 2019;

**AND UPON HEARING** the submissions of counsel for the Monitor, 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. In connection with the Termination and Bankruptcy Assignment Order granted April 8, 2019 (the "**Bankruptcy Order**"), Costodian Inc. shall be entitled to the benefit of and is hereby granted a charge (the "**Costodian Charge**") on the Property (as defined in the Initial Order dated February 5, 2019 (the "**Initial Order**")), which charge shall not exceed \$778,213.94 (plus interest accruing thereon at the rate established by the relevant bank for the bank account referenced in this paragraph) as security for payment of funds held in account 100-845-7 (Transit #00004) (the "**Separate Account**"), to the extent it is finally determined by this Court that Costodian Inc. is entitled to some or all of such funds. The Costodian Charge shall be subject to all the terms and conditions and be entitled to all the

benefits outlined in paragraphs 38-42 of the Initial Order. Costodian Inc. or its assignee shall have no right to take any enforcement steps as a secured creditor in respect of the Costodian Charge unless and until a final order is made by this Court entitling Costodian Inc. to payment of all or a portion of the funds secured by the Costodian Charge. For greater certainty, the Costodian Charge shall not be rendered invalid or unenforceable by any bankruptcy Order made in respect of the Applicants. The Costodian Charge shall be terminated, discharged and released effective on (a) consent of Costodian Inc. and the Trustee in Bankruptcy of Quadriga, or (b) a further Order of this Court.

3. The Stay Period (as defined by the Initial Order) is extended to the earlier of (a) the CCAA Termination Time (as defined by the Bankruptcy Order); and (b) June 28, 2019.

**General**

4. The aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction outside of Nova Scotia 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.

5. This Order and all of its provisions are effective as of 12:01 a.m. Atlantic Standard Time on the $18^{th}$ day of April, 2019.

Issued at Halifax, Province of Nova Scotia, this 18th day of April, 2019.

A Hawboldt

AMANDA HAWBOLDT
Deputy Prothonotary

Hfx No. 484742

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 UNDER THE COMPANIES' CREDITORS ARRANGEMENT ACT

**IN THE SUPREME COURT OF NOVA SCOTIA**

Proceeding commenced in Halifax

**ORDER**
**(RE ANCILLARY TERMINATION AND BANKRUPTCY ASSIGNMENT ORDER)**

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