



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. dba Quadriga CX and Quadriga Coin Exchange
(collectively referred to as the "Companies" and
the "Applicant"), for relief under the *Companies'*
*Creditors Arrangement Act***

AMENDED NOTICE OF APPLICATION IN CHAMBERS
(Amended February 1, 2019)

To: Attached service list at Schedule "A"

The Applicant requests an Order against you

The Applicant is applying to a judge in chambers for relief:

1. under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") for an initial stay; and
2. for an abridgement of the timelines as required under the *Civil Procedure Rules*, pursuant to Rules 2.02 and 2.03.

The Applicant started this application by filing this notice on the date certified by the Prothonotary.

Grounds for order

The Applicant is applying for the order on the following grounds:

1. The operating company of the Applicant, 0984750 B.C. Ltd. dba Quadriga CX and Quadriga Coin Exchange ("**Quadriga**"), is a platform to facilitate the purchase and sale of cryptocurrencies for users.
2. One of the founders of the Applicant, and its controlling mind, Gerald Cotten, passed away unexpectedly on December 9, 2018 at the age of 30. Mr. Cotten was the directing mind of the Applicant and held the security keys for the location of the storage of cryptocurrency coins, known as wallets.
3. The database for Quadriga's platform has approximately 115,000 users showing active balances in their personal accounts, representing obligations payable by Quadriga to the users in the form of: (i) cash obligations of approximately \$70 million in Canadian funds; and (ii) the obligation to hold cryptocurrency coins, value of approximately \$180 million (based on cryptocurrency market pricing as of December 17, 2018).

4. At the time of filing this application, the Applicant does not have the funds to meet their obligations to the users of the trading platform. There are funds being held for the benefit of the Applicant, including but not limited to:
 - (a) funds held by third party payment processors;
 - (b) bank drafts; and
 - (c) cash.
5. The value of the funds held for the benefit of the Applicant are significantly less than the obligations of Quadriga to the users of its platform.
6. The Applicant has retained the services of a technology investigator to assist in retrieving any information about the Companies and the location of wallets. The efforts are on-going, but the investigation has had limited success to date in recovering funds or cryptocurrency coins.
7. Given the discrepancies between the obligations owing to the users of Quadriga's platform and the funds accessible to the Applicant, the Applicant is a company to which the CCAA applies.
8. Ernst & Young Inc. has agreed to be appointed as an officer of this Court and to act as monitor for the Applicant pursuant to any order made by this Court pursuant to the CCAA.
9. If an order is made under the CCAA, the Monitor will address the issue of the bank drafts and oversee the continued search for funds and coins that have not yet been found.
10. If an order is made under the CCAA, the Monitor will, if approved by this Court, also determine if a sale of the business can be achieved. This will be to the benefit of all stakeholders of the Applicants.
11. If an order under the CCAA is not granted, the viability of the Applicant as an on-going concern is in doubt.

Evidence supporting application

The Applicant offers the following Affidavits in support of the application:

1. Affidavit of Jennifer Robertson, sworn on January 30, 2019; and
2. The report of Ernst & Young Inc. dated January 31, 2019.

A copy of each Affidavit and Report is to be delivered to you with this notice.

You may participate

You may file with the Court a Notice of Contest, and any affidavits upon which you rely. Filing the Notice of Contest entitles you to notice of further steps in the application, including notice of further affidavits.

Time, date, and place

The Application is to be heard by the judge in Chambers at Tuesday, February 5, 2019 at 9:30 a.m. in the Law Courts, 1815 Upper Water Street, Halifax, Nova Scotia. You have the right to be present and to be represented by counsel or to act on your own. If you are not present, the judge may proceed without you.

Possible order against you

The judge may grant a final order on the Application without further notice to you if you fail to deliver your Notice of Contest on time, or if you or your counsel fail to appear in chambers at the above time, date, and place.

Filing and delivering documents

Any documents you file with the Court must be filed at the office of the Prothonotary, 1815 Upper Water Street, Halifax, Nova Scotia (telephone # 424-4900).

When you file a document you must immediately deliver a copy of it to the Applicant and each other party entitled to notice, unless the document is part of an *ex parte* motion, the parties agree delivery is not required, or a judge orders it is not required.

Contact information

The Applicant designates the following address:

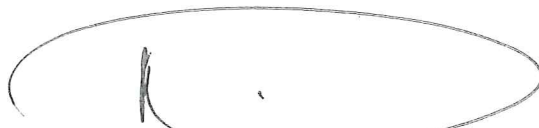
c/o Maurice P. Chiasson, Q.C.
Stewart McKelvey
Purdy's Wharf Tower I
900-1959 Upper Water Street
PO Box 997
Halifax, NS B3J 2X2

Documents delivered to this address are considered received by the Applicant.

Further contact information is available from the Prothonotary.

Signature

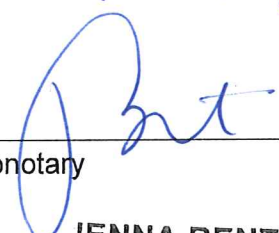
Signed ~~January 31~~ February 1, 2019



Maurice P. Chiasson, Q.C.
Stewart McKelvey
Barristers & Solicitors
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1959 Upper Water Street
Halifax, NS B3J 3N2
Telephone: 902.420.3300
Facsimile: 902.420.1417
Email: mchiasson@stewartmckelvey.com
Counsel for the Applicant

Prothonotary's Certificate

I certify that this Notice of Application was filed with the Court on February 1, 2019



Prothonotary

JENNA BENT
Deputy Prothonotary

Schedule "A" – Service List

PARTY	ADDRESS	METHOD OF SERVICE
Jennifer Robertson	Phone: [REDACTED] Email: [REDACTED] <u>c/o Richard S. Niedermayer</u> <u>Stewart McKelvey</u> <u>Purdy's Wharf Tower One</u> <u>900 – 1959 Upper Water Street</u> <u>Halifax, NS B3J 3N2</u> <u>Email: rniedermayer@stewartmckelvey.com</u>	<u>Email/Mail</u>