

March 31, 2021

To: Creditors of EncoreFX Inc. (“EncoreFX” or the “Company”)

RE: Conversion of the bankruptcy proceedings of EncoreFX to proceedings under the Companies’ Creditors Arrangement Act

Court File No. S212302

You are receiving this letter as a creditor in the bankruptcy proceedings of Encore FX.

Please be advised that on March 30, 2021, the Supreme Court of British Columbia (the “**Court**”) pronounced an Order (the “**Conversion Order**”) which converted the bankruptcy proceeding of the Company to proceedings under the *Companies Creditors Arrangement Act (Canada)* R.S.C. 1985, C-36, as amended (the “**CCAA**”).

The Conversion Order *inter alia*:

- appointed Ernst & Young Inc. (“**EYI**”) as Monitor (the “**Monitor**”) in the CCAA Proceedings of the Company;
- provided the Company with an initial 10-day stay of proceedings (the “**Stay Period**”) which may be extended by the Court from time-to-time; and
- pronounced that all previous orders of the Court with respect to the bankruptcy proceedings apply and are continued under the CCAA proceedings.

A copy of the Conversion Order and other documents relating to the insolvency proceedings of the Company can be found available on the Monitor’s website: www.ey.com/ca/EncoreFX.

In the very near future, the Monitor intends to apply to the Court for authorization to:

- file Plan of Compromise and Arrangement (a “**Plan**”) with the Court under which creditors will receive a partial payment of their claim in full satisfaction of their claim;
- administer a “**Claims Process**” to determine the claims of Creditors (“**Claims**”) and establish a claims bar date by which creditors must file a “**Proof of Claim**” in the CCAA proceedings; and
- establish a procedure for the Monitor to call, hold and conduct a meeting of creditors (“**Creditors’ Meeting**”) to consider and vote on the Plan.

This letter is provided to you with notice of the Conversion Order only. Further information and instruction with respect to the Plan, Claims Process and Creditors’ Meeting will be provided in future correspondence.

Should you have any questions in this matter, please feel free to contact Mr. Jason Eckford, a representative of the Monitor, at 604-648-3671 or at jason.eckford@parthenon.ey.com.

ERNST & YOUNG INC.

in its capacity as Monitor of EncoreFX Inc.
and not in its personal or corporate capacity

Per:



Peter Venetsanos, CPA, CA, CIRP, LIT
Vice President